

PUBLIC REVENUE AND EXPENDITURE IN INDIA

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CONTENTS

	PAGE
Introduction	1
Central and Provincial Revenues	7
Central and Provincial Expenditure	35
Provincial Tables	58
Some Features of Provincial Budgets of 1937-38	102
Conclusion	106

NOTE

This pamphlet is meant to be a brief introduction to Indian public finance, for the layman. It may prove helpful to those who have neither the time nor the mental training to undertake the study of bigger works on the subject, full of elaborate statistical material, and who are yet eager to understand how the public revenues are collected and spent. A working knowledge of the financial system is, in any case, necessary for one who is interested in the various economic and political problems of the country, because these problems are intimately connected with the manner in which the public finances are managed. In fact, it may be said that the financial machinery serves everywhere as the most important instrument in the hands of the ruling power for maintaining the *status quo*. In India, British Imperialism has set up a peculiar system of financial arrangements in order to keep its hold over the country intact, and these arrangements are jealously guarded against any popular interference. An insight into the real nature of British rule in India cannot be complete without an understanding of the various financial devices through which this rule is maintained.

The pamphlet is divided into two parts. In the first part the Central and Provincial revenues and expenditure are considered together, in order to give a picture of the financial arrangements of the country as a whole. The total amount collected and spent under different heads and the percentage distribution of revenues and expenditure under these heads is shown in a tabular form. Each head is further explained in a brief note.

In the second part the revenues and expenditure of each Province are shown separately and the period covered is the period of Montague Chelmsford Reforms, extending from 1921-22 to 1936-37.

At the end the important changes introduced by Provincial budgets of 1937-38 have been briefly noted.

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INTRODUCTION

Public finance is generally treated by professional economists and financiers as a domain independent of the social system, and it is often shown how through various financial devices and adjustments prosperity can be brought to the people. This approach to financial problems is narrow and superficial, because every financial system is the creation of certain basic economic and political factors which have to be taken into account if adequate and permanent solutions are sought. Budgetary adjustments and readjustments may smoothen out a financial scheme and may remove some of its glaring discrepancies, yet fundamentally the scheme must remain unchanged so long as the socio-economic system on which it is built continues to be the same.

The Indian financial system is a reflex of the network of exploitation relationships set up by imperialist Britain in this country. It reflects India's economic backwardness, the stunted growth of her industries, overpressure of population on land, the general low level of production and the consequent poverty of the people. It also reflects the political subjugation of the country through force organised in a huge standing army and police, and an expensive and bureaucratic civil administration. The complete indifference of the imperialist government to the elementary material and cultural welfare of the people is also admirably expressed in the figures of Indian budgets. In other words, the financial system places before us a picture of how Imperialism has been eating into the vitals of our economic life, strengthening the chains of our political bondage and pushing us ever deeper into the quagmire of cultural stagnation and decay.

Imperialist domination manifests itself in every aspect of our national life. In the political sphere, it implies a highly centralised and bureaucratic system of administration over which the people have no effective control. It also implies a strong and well organised military and police force to maintain law and order. Besides, it necessitates the placating and strengthening of all those social elements, generally big vested interests, which can aid Imperialism in carrying out its policy. Public finances in India meet these exigencies of imperialist domination, firstly, by incurring an enormous annual expenditure on the Army, Police, Jails, Convict Settlements, the Judiciary and other branches of the administration, and secondly, by throwing the overwhelming burden of taxation on the poorer classes, both in the urban and rural areas, thereby allowing the richer classes, particularly the upper feudal elements, to share with the imperialist Government a substantial part of the wealth realised in a variety of ways from the toiling masses of the country.

In the economic field, Imperialism has checked the growth of productive forces in India, and by converting the country into a market for British manufactures and a source of raw material for British industries has made the Indian economy hinge largely around agriculture, and import and export trade. The advent of British rule in India destroyed the old equilibrium between Indian agriculture and Indian manufactures, and created a new equilibrium between Indian agriculture and British manufactures, which implied on the one hand the predominance of agriculture in the Indian economy, and on the other, the exchange of Indian raw materials with British manufactured goods on a very large scale, through the mechanism of import and export trade. Every aspect of Indian economic life is

controlled by British Imperialism in the interest of this new equilibrium. Indian currency and exchange rates are manipulated in order to increase British imports; tariffs are regulated with the same object. Huge amounts have been spent on developing railways and other means of communication, not with a view to increasing internal production, but for facilitating trade between the ports and the interior. This excessive utilisation of the Indian economy for British industry and commerce is also reflected in the public finances of India. The predominance of agriculture is seen from the fact that Land Revenue is by far the biggest single item in all the provincial budgets, and the importance of the export and import trade finds expression in a huge Customs revenue which constitutes about 24 per cent of the total revenue of the country. It is noteworthy that the contribution of industries to the public revenues is almost negligible. Needless to add that this state of affairs has deprived India of all elements of internal economic stability and has made her a helpless prey to the fluctuations of international trade.

It should be observed further that the economy of a country subject to imperialist yoke is a decaying economy, since its progressive potentialities are systematically curbed by the ruling power. Its decline is particularly sharp during a period of economic crisis, as its lopsidedness and the absence of internal stability prevents adequate adjustments to changing conditions. It therefore suffers far more from economic upheavals than the industrially more advanced countries. These upheavals are reflected in the financial system, causing intense and wide-spread repercussions on the revenues. But financial dislocations do not always give a correct picture of the magnitude of economic decline, since in the interest of the imperialist machinery of administration, the revenues are forcibly kept up. Thus for example agricultural prices in India fell roughly by 50 per cent within a few years after 1929 and yet land revenue fell very slightly during this period. The comparative inflexibility of the financial system in India enhances considerably the burden of economic decline on the people.

A complete disregard of the welfare of the subject people is inherent in the imperialist system. The Government exacts the utmost from the poorer sections of the population in the form of taxation, and returns the least in the form of social services. Its primary consideration is to maintain and safeguard what are termed "Essential Services," that is, the military, police, and the entire machinery for the maintenance of law and order, on which rests the whole system of imperialist government itself. A foreign Government, irresponsible to the people, discredited in the eyes of the masses and facing a countrywide discontent is obliged to keep intact and strengthen continually the system of force on which it is based. Thus, the annual budgets allow the great bulk of the revenues to be absorbed by the so-called "Essential Services," leaving a very small percentage of the total income to be spent on the nation building services, such as Education, Public Health, Agriculture and Industry. The budgets in this respect expose most strikingly the reactionary and exploiting character of the present politico-economic system of the country.

Generally speaking, it may be said that the major aspects of the political domination of India are reflected in the budgets on the expenditure side, and of the economic domination on the revenue side. The expenditure is characterised by a deliberate starvation of the nation building services, and reckless overspending on the Army, Police, Civil Administration and Public Debt, the last being mainly the result of wasteful borrowings by the Government of India for British imperialist aggrandisement in the East. This illustrates how Imperialism safeguards its rule of the sword by keeping the people hungry, illiterate, diseased and poverty-stricken. The revenues, with their overwhelming dependence on import and export trade and on agriculture, illustrate the general economic exploitation and backwardness of the country, which finds expression in a very limited growth of industries, overpressure of population on a very poorly developed agriculture and excessive import and export activity based not on

a rich and varied internal production, but on a virtually forced exchange of Indian raw materials with foreign manufactures.

Thus public finances are an index to the working of the imperialist system in our country. They reveal the various chains of our political and economic bondage. Their study is worthwhile if it enables us to understand how all our woes are directly linked up with the imperialist domination of every aspect of our national life.

Some Features of Indian Financial System

The financial system of India has undergone a number of changes during the last hundred and fifty years, but none of these changes has materially touched the basic features of the system. Throughout this period, the real financial powers have remained a monopoly of the British Parliament and its bureaucratic agents in India, the Indian legislatures having been given hardly any effective voice in determining the financial policy. The revenues have continued to be collected and spent in a way as to throw an excessive burden of taxation on the poorer classes in order to meet an enormous expenditure on the Army, Police and the rest of the administrative machinery for the maintenance of Law and Order. The Central Government has, throughout, monopolised the great bulk of the revenue of the country, thereby starving the Provinces, which have been entrusted with the nation building services.

In 1857, after the transfer of India to the Crown, the Secretary of State for India who superseded the President of the Board of Control was vested with the power to "Superintend, direct and control" all affairs relating to the public revenues and expenditure of India, his decision being final in every case. Armed with these powers, he openly dictated the fiscal policy of India in the interests of British finance capital and trade until the introduction of the Reforms of 1919. As the Simon Commission recognised: "In practice he (Secretary of State) issued a 'resolution' amended from time to time indicating precisely the limits of expenditure which the Governor-General in Council could incur without previous reference to him, while the Government of India in its turn by means of elaborate codes and regulations maintained a rigid control over provincial expenditure. All proposals for provincial or central taxation require his previous sanction and no loans could be raised in India by the Government without his consent. The central budget, which down to 1920 included not only the direct transactions of the Government of India but also those of the provinces, received his approval before it was presented to the Legislature." (Indian Statutory Commission, Vol. I, page 368.)

The Montague Chelmsford Reforms of 1919 introduced no fundamental change in the situation. Only the Joint Select Committee which examined the Bill of 1919 observed: "Whatever be the right fiscal policy for India, for the needs of her consumers as well as for her manufactures, it is quite clear that she should have the same liberty to consider her interests as Great Britain, Australia, New Zealand, Canada and South Africa. In the opinion of the Committee, therefore the Secretary of State should as far as possible avoid interference on this subject when the Government of India and its Legislature are in agreement and they think that his intervention when it does take place, should be limited to safeguarding the international obligations of the Empire to which His Majesty's Government is a party."

These remarks of the Joint Select Committee were given the status of a 'Fiscal Autonomy Convention,' which was supposed to have given India virtual independence in fiscal matters. In actual practice, however, the only change effected was that instead of the Secretary of State, the Governor-General began to dominate and control the fiscal policy directly, while the legislatures remained as impotent as ever in fiscal matters, with the result that the old policy remained untouched. While formerly the Secretary of State acted and interfered

independently, after the reforms he did so, as effectively as before, through the Governor-General. Whenever the Government of India and the Indian Legislature disagreed on any fiscal measure, as on the Indo-British Agreement, the former had its way under the dictates of British Parliament.

The new Constitution marks no improvement whatever in the situation ; in fact it is distinctly a retrograde step. It does away with the Fiscal Autonomy Convention, but restricts the liberty of Indian legislatures by a number of well defined statutory enactments, which guarantee complete protection to British trading and financial interests in India. Sections 111-118 of the Government of India Act (1935) make it impossible for the Indian Legislature to grant any concessions to Indian trade and industry if the same concessions are not granted to British interests in the country at the same time. The Governor-General and the Governors are vested with unlimited powers to rule out as *ultra vires* any measure, which in any way, whether directly or indirectly, affects adversely or discriminates against British capital, trade, industry and shipping in India. This means that the economic stranglehold of Great Britain over India will remain intact; nay, it will be strengthened since the new Constitution circumscribes the freedom of Indian Legislatures in fiscal matters by statutory restrictions which are far more explicit and comprehensive than the restrictions imposed by any earlier constitution.

We have noted above that the Indian Legislatures have never had any effective control over public finances. Until the Reforms of 1919, the Executive alone, that is, the Governor-General in Council at the Centre and the Governor in Council in the provinces, regulated all financial matters. The Legislative Councils had no share in determining the collection and expenditure of public revenues.

The Montague Chelmsford Reforms brought about some change in the situation by making a part of the expenditure both at the Centre and in the Provinces, votable by the Legislature. At the Centre, however, over 80 per cent of the expenditure remained non-votable, that is, under the complete control of the Governor-General in Council. In the Provinces the percentage of votable expenditure was higher, but in both the cases the Executive was empowered to override every financial decision of the Legislature. The Governor-General and the Governors could restore any financial grant rejected by the Legislature. Thus, the Reforms of 1919 did not, to any appreciable extent, touch the monopolistic control of the Executive over finances.

The new Constitution does not materially change this position. In the Central Government over 80 per cent of the expenditure will remain non-votable, and the Governor-General will have the power to enact any financial measure independently of the Federal Legislature, and to restore any grant rejected by the latter. In the provinces the distinction between the Reserved and Transferred departments has been abolished, but the salary and allowances of the Governor, the expenditure relating to his office, debt charges, salaries and allowances of the Ministers and the Advocate-General, salaries and allowances of the judges of the High Court and the expenditure on excluded areas, still remain non-votable. The rest of the budget is votable but no demand for a financial grant can be made except on the recommendation of the Governor who like the Governor-General is empowered to restore any grant rejected or reduced by the Provincial Legislature. Thus, the new Constitution keeps Indian finances as far removed from real popular control as they have ever been.

The development of the nation-building services in India depends on the resources made available for the Provinces, because departments such as Education, Public Health, Industries, Agriculture etc. are under the Provincial governments. The Central government has, however, always taken away such a large share of the total revenues that the Provincial departments and especially the nation-building departments have been kept starving. Financial decentralisation which has been proceeding since 1871 has not, as yet, in any ap-

preciable measure, reduced the enormous demands of the Central government on the revenues.

With regard to the evolution of Provincial finance it may be observed that in the beginning of the East India Company's rule, the different parts of the Company's territory were financially independent of each other. The difficulties of communication, and the absence of a strong Central government made centralised coördination of revenues and expenditure extremely difficult. The Regulating Act of 1773 changed the situation entirely by prohibiting any expenditure by the local authorities without the sanction of the Central government. This over-centralisation of financial control led to several abuses. The Provincial governments, being obliged to act merely as agents of the Centre, lost all sense of responsibility and inefficiency and wastefulness in the collection and expenditure of revenues grew all round.

In 1871, Lord Mayo tried to remedy the situation by introducing a measure of decentralisation. His "Provincial Settlements" of 1871 transferred the financial management of Police, Education, Roads and Civil Works, Registration, Medicine and Jails to the Provinces, and gave them an annual fixed lump sum grant from the Central government, in addition to the receipts from these departments. This scheme too did not work very successfully, as the annual grants from the Centre were not adjusted to the real needs of the provinces, and in several cases did not provide enough funds for the departments concerned.

In 1877, Lord Lytton carried decentralisation a step further by transferring the financial management of five more departments namely, Land Revenue, Excise, Stamps, General Administration, and Law and Justice, to the Provinces. In addition to the old annual lump sum grants, the Central government now allowed the Provinces a share in certain heads of revenue, namely, Excise, Stamps, Law and Justice, fees and proceeds of the Licence Tax.

Lord Rippon, in 1882 went a step further. He abolished the lump grants and divided the sources of revenue into three categories, namely (1) Imperial Heads which included Opium, Salt, Customs, Commercial undertaking etc., (2) Provincial Heads which included Civil Depts., Provincial Works and Provincial Rates, and (3) Divided Heads which included Excise, Assessed Taxes, Stamps, Forest, Registration. The income from the Imperial Heads was monopolised by the Central Government, the income from the Provincial Heads by the Provincial Government, while the income from the Divided Heads was shared by the Centre and the Provinces. Separate financial settlements with each Province were made on these lines.

In 1904, Lord Curzon declared the existing Financial Settlements to be quasi-permanent and introduced a system of occasional lump sum grants or 'doles' from the Centre to the Provinces. In 1912 the settlements were declared to be practically permanent.

The Montague Chelmsford Scheme made a new distribution of the revenues between the Central and Provincial Governments. It abolished the Divided Heads and made a clear cut division of the total receipts between Imperial and Provincial Heads. The former included Customs, Income Tax, Railways, Salt, Opium, Posts and Telegraphs and Military Receipts, while the latter included Land Revenue, Irrigation, Stamps, Registration, Excise and Forests.

The Reforms of 1919 transferred to the Provinces all the nation-building services which needed expansion, but assigned to them only such sources of revenue as were inelastic and stagnant. On the other hand the Central Government whose expenditure on the army and other central subjects was already excessive, was assigned such sources as were expanding. For example, Land Revenue which is the most important of all the Provincial Heads, increased by only 7½% between 1913 and 1929. Income from Excise remained almost stationary and even declined in certain Provinces. Stamps revenue fell substantially after 1925. Thus, from 1923-24 to 1928-29, while the total provincial expenditure increased by 22%, the

total provincial revenues increased by only 4%. As against this, of the Central Heads, Customs Revenue increased from Rs. 34.41 crores in 1921-22 to Rs. 54 crores in 1935-36. The Railways contributed to the General Revenues Rs. 1.22 crores in 1922-23, but this amount increased to Rs. 5.74 crores (Budget) in 1930-31, Salt Revenue rose from Rs. 6.34 crores in 1921-22 to Rs. 8.5 crores in 1935-36. Income tax proceeds were Rs. 15.86 crores in 1925-26 and Rs. 18 crores in 1932-33.

This meant serious deficits for the Provinces. Between 1921 and 1933 the total provincial deficit amounted to Rs. 23.8 crores, while in this period the Central Government had a total surplus of Rs. 10 crores. The expenditure on civil administration for the maintenance of law and order being the first charge on the Provincial revenues, the nation-building services, thus, made an extremely meagre progress.

Under the new Constitution the financial arrangements of the Constitution of 1919 will remain intact with certain minor modifications. Sir Otto Niemeyer, who was appointed in December 1935 to examine the financial implications of the provisions of the new Constitution recommended, firstly, that the Central government should give grants in-aid to deficit provinces, Sind, Assam, the United Provinces and Orissa; secondly, that 6½ per cent of the net proceeds of the Jute export duty should be assigned to certain provinces, and thirdly, that after the inauguration of the Federation the Centre should progressively transfer a part of the income tax receipts to the provinces in a manner that after 10 years the provinces should get 50% of the total receipts, which would be their maximum share.

It is obvious that these recommendations would not make any material change in the present situation, since they would not release any substantial resources for the nation-building services of the provinces. The grants in aid to the deficit provinces are only meant to meet ordinary deficits. The 6½ per cent share of the Jute duty to be assigned to the provinces represents a very small amount, as the total yield of the duty is only 3½ crores. Lastly, the 50% share of the Income Tax to be given to the Provinces would roughly amount to only Rs. 7½ crores and even that would be received by the Provinces about 12 years hence. Thus, the new Constitution would in every way keep intact the present burdensome and wasteful system of financial administration. The hegemony of the Central government over the finances will remain the same as ever, and an over-inflated expenditure on the so called "Essential Services" would continue to starve all those services which are vital to the welfare of the people.

It will thus be seen that with all the financial adjustments and readjustments between the Centre and the Provinces during the last 150 years, the real nature of the financial system has remained unchanged.

PART I

CENTRAL AND PROVINCIAL REVENUES

The following table shows the revenues of Central and Provincial governments from the year 1921-22 to 1935-36. It may be noted that of the heads of revenue, Customs, Taxes on Income, Salt, Opium, Railways, Posts and Telegraphs, Currency and Mint, Contribution from Indian States and Military Receipts belong exclusively to the Central government, which appropriates all the revenue derived from them. Only in the case of Taxes on income is a small percentage of the total receipts given to certain Provinces. The major Provincial heads of revenue are Land Revenue, Excise, Stamps, Scheduled Taxes, Irrigation and Forests. Departmental receipts, such as receipts from Civil Works, Civil Administration etc. are obtained by the Central and Provincial governments from the territories under their respective control. The Central government further appropriates the revenues relating to the Provincial heads for all those areas which are centrally governed, namely, British Baluchistan, Ajmer Merwara, Delhi, Coorg and Andaman and Nicobar Islands. Hence, we find in the following table a part of the receipts belonging to the Provincial heads included in the Central revenue.

Gross receipts have been shown in the case of Customs, Taxes on Income, Salt, Opium, Land Revenue, Excise, Stamps, Forest, Registration, Contribution from States, and Scheduled Taxes.

The amount shown against Railways represents the net revenue obtained on deducting the working expenses and surplus profits paid to Companies, from the total gross receipts. Similarly the figures for Irrigation and Posts and Telegraphs are for the net amount left over after meeting the working expenses.

Interest revenue represents gross interest receipts minus Refunds.

'Civil Administration' includes the gross departmental receipts of the following departments :—Justice, Jails and Convict Settlements, Police, Ports and Pilotage, Education, Medical, Public Health, Agriculture, Industries and Miscellaneous departments.

Under the head 'Miscellaneous,' such receipts as Transfers from Famine Insurance Fund, receipts in aid of Superannuation, receipts from Stationery and Printing Department etc. are included.

'Military Receipts' represent gross receipts from Army, Marine and Military Works.

GENERAL STATEMENT OF CENTRAL

(In

Heads of Revenue	1921—22		
	Central	Provincial	Total
Customs	34,40,98,381	..	34,40,98,381
Taxes on Income	18,74,13,424	3,43,41,399	22,17,54,823
Salt	6,34,37,848	..	6,34,37,848
Opium	3,07,24,798	..	3,07,24,798
Land Revenue	33,18,286	34,38,98,987	34,72,17,273
Excise	53,80,399	16,64,81,515	17,18,61,914
Stamps	24,61,081	10,63,45,771	10,88,06,852
Forest	19,68,643	5,63,60,013	5,83,28,656
Registration	1,70,705	1,11,84,972	1,13,55,677
Contribution from Indian States	87,17,807	..	87,17,807
Scheduled Taxes .. .. .	..	..	..
Railways	15,20,82,829	2,17,629	15,23,00,458
Irrigation	5,94,141	5,71,80,898	5,77,75,039
Posts and Telegraphs	56,52,778	..	56,52,778
Interest Receipts	1,11,00,700	1,07,89,336	2,18,90,036
Civil Administration	77,29,211	2,73,38,406	3,50,67,617
Currency and Mint	4,37,42,093	..	4,37,42,093
Civil Works	11,33,783	62,42,041	73,75,824
Miscellaneous	7,18,56,875	1,37,95,473	8,56,52,348
Military Receipts	8,06,93,832	..	8,06,93,832
Provincial Contribution	† 12,98,72,704	— 12,98,72,704	..
Extraordinary Items .. .. .	..	..	..
TOTAL REVENUE	1,15,21,15,317	70,43,03,736	1,85,64,54,053
1924—25			
Customs	45,75,31,516	..	45,75,31,516
Taxes on Income	16,01,48,253	19,75,698	16,21,23,951
Salt	7,39,04,860	..	7,39,04,860
Opium	3,79,76,177	..	3,79,76,177
Land Revenue	37,80,748	35,45,77,390	35,83,58,138
Excise	41,99,239	19,09,69,191	19,51,68,430
Stamps	26,89,689	13,00,01,612	13,26,91,301
Forest	16,14,698	5,51,34,063	5,67,48,761
Registration	1,64,392	1,25,82,217	1,27,46,609
Indian States	82,44,384	..	82,44,384
Scheduled Taxes .. .. .	..	30,55,342	30,55,342
Railways	37,22,94,697	3,05,431	37,25,98,128
Irrigation	10,91,925	6,99,73,456	7,10,65,381
Posts and Telegraphs	1,11,25,087	..	1,11,25,087
Interest Receipts	3,41,00,265	1,94,61,411	5,35,61,676
Civil Administration	73,97,533	3,51,35,948	4,25,33,481
Currency and Mint	3,99,32,894	..	3,99,32,894
Civil Works	13,21,263	72,39,464	85,60,727
Miscellaneous	45,89,671	1,98,55,672	2,44,45,343
Military Receipts	4,03,11,659	..	4,03,11,659
Provincial Contribution and assignments to the Central Govt.	+ 8,74,46,813	— 8,74,46,813	..
Extraordinary Items	2,54,52,356	..	2,54,52,356
TOTAL REVENUE	1,57,55,18,119	81,28,18,082	2,18,81,36,201

AND PROVINCIAL REVENUES

Rupees)

1922—23			1923—24		
Central	Provincial	Total	Central	Provincial	Total
41,34,65,362	..	41,34,65,362	39,69,64,296	..	39,69,64,296
17,99,41,150	14,53,335	18,13,94,485	18,23,55,516	25,56,842	18,49,12,358
6,82,46,112	..	6,82,46,112	10,01,50,870	..	10,01,50,870
3,78,92,068	..	3,78,92,068	4,24,81,654	..	4,24,81,654
42,93,120	34,92,23,207	35,35,16,327	43,05,972	34,46,52,805	34,89,58,777
51,68,531	13,03,53,125	13,55,21,656	48,24,895	18,92,26,794	19,40,51,689
25,10,391	11,70,06,349	11,95,16,740	27,71,897	12,43,53,676	12,71,25,573
25,28,572	5,26,85,501	5,52,14,073	21,20,378	5,40,98,845	5,62,19,223
1,49,431	1,18,95,439	1,20,44,870	1,55,779	1,21,26,040	1,22,81,819
87,50,223	..	87,50,223	86,77,304	..	86,77,304
..	27,77,179	27,77,179	..	33,13,259	33,13,259
26,82,98,476	98,310	26,83,96,786	32,69,42,393	3,81,249	32,73,23,642
10,90,752	6,58,46,483	6,69,37,235	10,54,064	7,06,66,758	7,17,20,822
1,22,29,448	..	1,22,29,448	96,12,987	..	96,12,987
1,15,70,696	1,40,31,164	2,56,01,860	3,16,59,620	1,58,66,859	4,75,26,479
44,34,528	3,27,94,337	3,72,28,865	68,51,292	3,44,07,728	4,12,59,020
3,62,03,131	..	3,62,03,131	3,12,73,991	..	3,12,73,991
14,38,067	62,85,673	77,23,740	37,05,245	65,59,736	1,02,64,981
62,46,625	1,52,37,039	2,14,83,664	94,78,186	1,86,79,624	2,81,57,810
5,73,78,865	..	5,73,78,865	4,81,56,397	..	4,81,56,397
+9,22,93,608	-9,22,93,608	..	+8,83,55,940	-8,83,55,940	..
..	..	..	2,59,65,851	..	2,59,65,851
1,21,41,29,156	75,73,93,533	1,97,15,22,689	1,32,78,64,527	78,85,14,275	2,11,03,78,802
1925—26			1926—27		
47,77,95,049	..	47,77,95,049	47,38,10,721	..	47,38,10,721
15,85,93,439	26,10,597	16,12,04,036	15,64,96,338	33,32,438	15,98,28,776
6,32,96,778	..	6,32,96,778	6,69,81,053	..	6,69,81,053
4,14,99,581	..	4,14,99,581	4,33,13,748	..	4,33,13,748
38,52,885	35,16,77,985	35,55,30,870	41,00,434	34,47,30,963	34,88,31,397
42,20,576	19,47,65,956	19,89,86,532	41,13,217	19,41,55,146	19,82,68,363
27,14,757	13,38,45,053	13,65,59,810	26,68,723	12,92,93,349	13,19,62,072
18,74,128	5,80,44,351	5,99,18,479	23,57,879	5,95,26,369	6,18,84,248
1,68,043	1,43,70,481	1,45,38,524	1,57,372	1,44,12,888	1,45,70,260
84,29,482	..	84,29,482	83,52,523	..	83,52,523
..	35,11,531	35,11,531	..	36,45,507	36,45,507
34,40,12,775	3,27,984	34,43,40,759	34,07,08,387	2,24,217	34,09,32,604
12,03,397	7,48,15,545	7,60,18,942	10,25,576	6,69,79,774	6,80,05,350
86,35,229	..	86,35,229	70,64,577	..	70,64,577
4,21,95,320	2,34,07,619	6,56,02,939	4,08,59,285	2,35,64,153	6,44,23,438
89,97,693	3,58,82,516	4,48,80,209	86,05,079	3,65,64,563	4,51,69,642
4,63,89,101	..	4,63,89,101	4,15,51,227	..	4,15,51,227
12,85,165	68,18,578	81,03,743	15,78,791	69,21,490	58,00,281
54,17,872	2,03,70,563	2,57,88,435	60,01,096	1,91,40,672	2,51,41,768
4,39,51,391	..	4,39,51,391	4,94,68,064	..	4,94,68,064
6,08,40,677	-6,08,40,677	..	+5,13,22,555	-5,13,22,555	..
63,57,154	1,55,12,048	2,18,69,202	60,10,258	1,31,46,884	1,91,57,142
1,33,17,30,492	87,51,20,130	2,20,68,50,622	1,31,65,46,903	86,43,15,858	2,18,08,62,761

GENERAL STATEMENT OF CENTRAL

(In

Heads of Revenue	1927—28		Total
	Central	Provincial	
Customs	48,21,41,872	..	48,21,41,872
Taxes on Income	15,06,39,243	36,24,733	15,42,63,976
Salt	6,63,17,979	..	6,63,17,979
Opium	3,94,52,254	..	3,94,52,254
Land Revenue	40,91,615	35,27,81,840	35,68,73,455
Excise	52,14,829	19,30,01,400	19,82,16,229
Stamps	26,80,116	13,31,10,071	13,57,90,187
Forest	24,58,676	5,83,21,056	6,07,79,732
Registration	1,56,271	1,45,76,781	1,47,33,052
Indian States	83,97,285	..	83,97,285
Scheduled Taxes .. .. .	..	40,66,123	40,66,123
Railways	38,67,48,479	4,80,465	38,72,28,944
Irrigation	9,05,572	6,86,33,793	6,95,39,365
Posts and Telegraphs	31,45,661	..	31,45,661
Interest Receipts	3,61,90,602	2,35,77,084	5,97,67,686
Civil Administration	98,69,113	3,89,60,829	4,88,29,942
Currency and Mint	2,77,46,116	..	2,77,46,116
Civil Works	16,07,086	1,02,59,713	1,18,66,799
Miscellaneous	52,45,803	1,91,82,011	2,44,27,814
Military Receipts	1,54,49,312	..	1,54,49,312
Provincial Contribution	+2,59,699	—2,59,699	..
Extraordinary Items	2,35,60,337	1,26,38,206	3,61,98,543
TOTAL REVENUE	1,27,22,77,920	93,29,54,406	2,20,52,32,326
		1930—31	
Customs	46,80,76,245	..	46,80,76,245
Taxes on Income	16,00,33,362	30,64,421	16,30,97,783
Salt	6,83,22,449	..	6,83,22,449
Opium	2,53,27,460	..	2,53,27,460
Land Revenue	33,94,397	29,93,76,410	30,27,70,807
Excise	46,50,223	16,31,09,007	16,77,59,230
Stamps	28,01,728	12,32,53,902	12,60,55,630
Forest	29,81,335	4,43,53,061	4,73,34,396
Registration	1,49,773	1,14,59,458	1,16,09,231
Indian States	63,44,881	..	43,44,881
Scheduled Taxes .. .. .	..	32,44,966	32,44,966
Railways	39,13,71,085	2,36,863	39,16,07,948
Irrigation	4,83,307	7,28,99,000	7,33,82,307
Posts and Telegraphs	—60,30,910	..	60,30,910
Interest Receipts	3,38,42,993	2,40,20,458	5,78,63,451
Civil Administration	96,87,408	4,56,48,196	5,53,35,604
Currency and Mint	1,24,30,493	..	1,24,30,493
Civil Works	27,15,147	1,39,38,130	1,66,53,277
Miscellaneous	95,64,305	1,93,62,395	2,89,26,700
Military Receipts	3,98,89,885	..	3,98,89,885
Provincial Contribution .. .. .	..	..	..
Extraordinary Items	9,920,155	68,41,545	1,67,61,700
TOTAL REVENUE	1,24,59,55,721	82,08,07,812	2,07,67,63,533

AND PROVINCIAL REVENUES

(Rupees)

1928—29			1929—30		
Central	Provincial	Total	Central	Provincial	Total
49,28,00,804	..	49,28,00,804	51,27,66,229	..	51,27,66,229
16,70,33,999	35,30,620	17,05,64,619	16,70,60,821	35,73,975	17,06,34,796
7,59,92,742	..	7,59,92,742	6,76,46,354	..	6,76,46,354
3,26,59,423	..	3,26,59,423	3,04,09,788	..	3,04,09,788
38,31,605	32,77,89,372	33,16,20,977	38,16,915	33,08,93,711	33,47,10,626
52,71,614	19,44,98,623	19,97,70,237	54,74,463	19,86,48,882	20,41,23,345
30,81,791	13,42,23,017	13,73,04,808	27,49,660	13,84,91,819	14,12,41,479
25,97,258	5,52,72,294	5,78,69,552	31,28,801	5,81,22,556	6,12,51,357
1,61,924	1,41,77,980	1,43,39,904	1,66,874	1,35,36,036	1,37,02,910
74,41,110	..	74,41,110	72,23,464	..	72,23,464
..	43,07,861	43,07,861	..	40,55,461	40,55,461
37,48,75,950	2,89,736	37,51,65,686	37,16,42,648	30,3,984	37,19,46,632
9,40,323	7,60,96,661	7,70,36,984	9,96,201	7,86,36,126	7,90,32,327
7,41,354	..	7,41,354	1,49,901	..	1,49,901
2,80,03,036	2,35,34,486	5,15,37,522	4,40,60,589	2,45,55,365	6,84,15,954
1,00,93,520	4,41,92,395	5,42,85,915	1,16,59,526	4,71,59,858	5,88,19,364
2,88,32,728	..	2,88,32,728	2,73,68,805	..	2,73,68,805
17,04,637	1,08,15,123	1,25,19,760	22,65,456	1,05,68,620	1,28,34,076
89,47,427	1,89,07,757	2,78,55,184	95,62,413	2,74,64,979	3,70,27,392
3,39,37,451	..	3,39,37,451	3,98,08,743	..	3,98,08,743
+2,91,690	-2,91,690	..	+3,011	-3,011	..
1,04,62,030	75,31,346	1,79,93,376	1,88,94,440	99,85,015	2,88,79,455
1,28,97,02,416	91,48,75,581	2,20,45,77,997	1,32,68,55,102	94,57,93,290	2,27,26,48,398
1931—32			1932—33		
46,43,66,526	..	46,43,66,526	51,95,17,460	..	51,95,17,460
17,48,73,074	8,22,200	17,56,95,274	17,97,40,319	2,91,149	18,00,31,468
8,57,92,298	13,99,300	8,71,91,598	10,07,35,768	14,91,700	10,22,27,468
2,07,41,533	..	2,07,41,533	89,86,152	..	89,86,152
33,93,932	32,65,10,061	32,99,03,993	17,85,707	30,67,94,215	30,85,79,922
51,17,102	14,34,62,830	14,85,79,932	41,50,932	14,47,59,443	14,89,10,375
23,62,850	11,73,41,125	11,97,03,975	32,75,323	12,59,22,314	12,91,97,637
24,09,536	3,75,74,427	3,99,83,963	18,03,498	3,58,49,362	3,76,52,860
1,52,797	1,08,03,827	1,09,56,024	1,12,308	1,12,37,204	1,13,49,512
84,88,733	..	84,88,733	73,57,066	..	73,57,066
..	43,18,408	43,18,408	..	41,19,072	41,19,072
33,61,55,768	1,61,668	33,63,17,436	33,37,17,406	1,81,353	33,38,98,759
12,79,461	7,75,79,933	7,88,59,394	1,64,175	8,55,48,133	8,57,12,308
-16,33,697	..	16,30,697	39,19,117	..	39,19,117
2,40,94,982	2,22,00,615	4,62,95,597	1,87,62,735	2,27,73,186	4,15,35,921
94,44,523	4,97,26,054	5,91,70,577	86,68,237	5,23,83,650	6,10,51,887
1,78,61,705	..	1,78,61,705	2,30,63,292	..	2,30,63,292
24,51,745	1,74,60,891	1,99,12,636	23,37,232	1,69,32,530	1,92,69,762
1,56,91,013	1,78,00,718	3,34,91,731	93,22,564	1,90,44,697	2,83,67,261
4,12,74,220	..	4,12,74,220	3,63,49,997	..	3,63,49,997
..	..	..	-96,05,073	+96,05,073	..
21,48,213	46,75,442	68,23,655	2,05,580	65,37,431	67,43,011
1,21,64,65,714	83,18,37,499	2,04,83,03,213	1,25,43,69,795	84,34,70,512	2,09,78,40,307

GENERAL STATEMENT OF CENTRAL

(In

Heads of Revenue	1933-34		
	Central	Provincial	Total
Customs	47,16,41,385	..	47,16,41,385
Taxes on Income	17,12,85,181	3,03,957	17,15,89,138
Salt	8,85,64,579	5,64,706	8,91,29,285
Opium	1,58,96,779	..	1,58,96,779
Land Revenue	17,60,084	29,81,99,807	29,99,59,891
Excise	40,31,862	14,59,36,867	14,99,68,729
Stamps	31,42,174	11,9,30,0,912	12,24,43,086
Forest	15,24,806	3,38,12,837	3,53,37,643
Registration	1,00,982	1,11,65,038	1,12,66,020
Indian States	74,84,821	..	74,84,821
Scheduled Taxes .. .. .	..	40,66,282	40,66,282
Railways	33,03,87,228	1,56,553	33,05,43,781
Irrigation	6,799	8,98,26,771	8,98,33,570
Posts and Telegraphs	32,44,499	..	32,44,499
Interest Receipts	1,62,82,626	2,17,36,089	3,80,18,715
Civil Administration	76,21,910	5,18,57,217	5,94,79,127
Currency and Mint	1,33,41,216	..	1,33,41,216
Civil Works	26,93,048	1,57,31,294	1,84,24,342
Miscellaneous	78,95,428	1,88,18,480	2,67,13,908
Military Receipts	5,32,61,929	..	5,32,61,929
Provincial Contribution	-1,00,00,000	+1,00,00,000	..
Extraordinary Items	35,63,550	70,12,376	1,05,75,926
TOTAL REVENUE	1,19,37,30,886	82,84,89,186	2,02,22,20,072

It will be seen from the above table that the total receipts showed an upward trend between 1921 and 1929. As a result of the depression, the receipts declined in 1930-31 but owing to the drastic measures taken as from 1931-32, in the form of increased rates and emergency charges on several taxes, were maintained on the whole at a fairly stable level during the subsequent years.

The most important sources of revenue are Customs, Land Revenue, Taxes on Income, Excise, Stamps and Salt. Railway receipts also represent a considerable amount. Of the minor heads, Irrigation, Forest and Civil Administration may be considered to be fairly important.

Of all the heads, Customs contributes by far the largest amount to the exchequer. Besides, Customs revenue has steadily grown in importance; it has increased from Rs. 34,40,98,381 in 1921-22 to Rs. 54,11,48,975 in 1935-36. This has been due to a rapid enhancement of import duties.

Land Revenue is the next most important source of income. It remained fairly stable until 1929-30 when it started declining with the fall in agricultural prices. After 1934 it began to increase though the 1929-30 level has not as yet been reached.

Railway receipts showed a steady rise until 1930-31, due partly to increased rates and traffic, and partly to reduction in working expenses. Since 1931, however, as a result of the depression the receipts have declined considerably, though lately there have been some signs of improvement.

The total receipts from Taxes on Income showed, on the whole, a downward trend

AND PROVINCIAL REVENUES

(Rupees)

1934—35			1935—36		
Central	Provincial	Total	Central	Provincial	Total
52,67,41,915	..	52,67,41,915	54,11,48,975	..	54,11,48,975
17,54,52,580	3,51,695	17,58,04,275	17,07,39,334	2,56,387	17,09,95,721
8,00,00,860	3,69,950	8,03,70,810	8,42,80,408	3,35,950	8,46,16,358
71,94,208	..	71,94,208	61,10,358	..	61,10,358
20,92,270	32,08,53,607	32,29,45,877	28,25,428	31,91,41,840	32,19,67,268
40,68,797	14,64,08,067	15,04,76,874	38,82,885	14,87,41,495	15,26,24,380
42,53,219	11,59,94,458	12,02,47,777	39,24,471	11,43,66,216	11,82,90,687
12,40,985	3,84,76,040	3,97,17,025	16,43,580	4,15,18,004	4,31,61,584
1,06,834	1,16,07,549	1,17,14,383	1,01,973	1,17,04,177	1,18,06,150
73,96,646	..	73,96,646	72,34,283	..	72,34,283
..	44,73,928	44,73,928	..	45,91,114	45,91,114
32,36,84,197	1,13,503	32,37,97,700	31,97,89,698	1,22,716	31,99,12,414
74,570	7,75,47,837	7,76,22,407	30,696	9,44,16,956	9,44,47,652
1,21,99,599	..	1,21,99,599	79,85,054	..	79,85,054
2,01,01,836	2,05,06,406	4,06,08,242	86,48,163	2,01,51,980	2,88,00,143
85,12,271	5,38,15,406	6,23,27,677	1,00,50,638	5,66,42,396	6,66,93,034
1,48,09,980	..	1,48,09,980	1,16,90,168	..	1,16,90,168
27,05,419	1,92,66,736	2,19,72,155	30,25,180	1,55,08,518	1,85,33,698
73,77,488	1,62,82,083	2,36,59,571	63,67,237	1,93,74,683	2,57,41,920
5,30,01,980	..	5,30,01,980	5,20,53,253	..	5,20,53,253
-2,97,77,696	2,97,77,696	..	-3,06,13,539	3,06,13,539	..
2,514	71,08,018	71,10,532	2,284	1,27,25,948	1,27,28,232
1,22,12,40,472	86,29,37,319	2,18,41,77,791	1,21,07,26,527	89,02,43,280	2,10,09,69,807

until 1931 when as a result of the extension of income tax to incomes over Rs. 1000 per year, they rose to a slightly higher level.

Excise revenue remained almost stable between 1923 and 1930. After that it declined fairly rapidly and reached the lowest level in 1932-33. The recovery since then has been slight. The decline in the revenue was in a large measure due to the depression.

The yield from Salt tax rose considerably as a result of the higher duty imposed in 1931-32.

Stamps revenue showed a steady increase until 1929-30 when it started declining as a result of the slump in trade.

Receipts from Forests remained at a fairly stable level until 1929-30 when owing to the depression they started declining rapidly. A slight improvement was noticed in 1935-36.

Registration revenue continued to increase until 1929-30 when it started falling steadily as a result of the depression.

Irrigation receipts increased fairly rapidly during the period of the depression.

Receipts from Civil Administration have shown a distinct upward tendency, while the receipts from Currency and Mint and Military Services have shown, on the whole, a downward trend.

Interest receipts have declined since 1930-31 as a result of a fall in the general rate of interest and restricted lending by the Government.

We may now note the comparative importance of the different heads of revenue. The following table shows the percentage distribution of the total receipts under these heads.

PERCENTAGE DISTRIBUTION OF THE TOTAL RECEIPTS

Heads	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36
Customs	18.5	20.9	18.7	20.9	21.6	21.7	21.8	22.3	22.5	22.5	22.6	23.7	23.3	24.1	25.7
Taxes on Income	11.9	9.2	8.7	7.4	7.3	7.3	7.0	7.7	7.5	7.8	8.5	8.5	8.4	8.4	8.1
Salt	3.4	3.4	4.7	3.3	3.3	3.0	3.0	3.4	2.9	3.2	4.2	4.8	4.4	3.6	4.0
Opium	1.6	1.9	2.0	1.7	1.8	1.9	1.7	1.4	1.3	1.2	1.0	.4	.7	.3	.2
Land Revenue	18.7	17.9	16.4	16.3	16.1	15.9	16.8	15.0	14.2	14.5	16.1	14.7	14.8	14.7	15.3
Excise	9.2	6.8	9.1	8.9	9.0	9.0	8.9	9.0	8.3	8.0	7.2	7.0	7.4	6.8	7.2
Stamps	5.8	6.0	6.0	6.0	6.1	6.0	6.1	6.2	6.1	3.0	5.8	6.1	6.0	5.5	5.6
Forest	3.1	2.8	2.6	2.5	3.7	2.8	2.7	2.6	2.6	2.2	1.9	1.7	1.7	1.8	2.0
Registration .. .. .	.6	.6	.5	.5	.6	.6	.6	.6	.6	.5	.5	.5	.5	.5	.5
Indian States .. .. .	.4	.4	.4	.3	.3	.3	.3	.3	.3	.2	.4	.3	.3	.3	.3
Scheduled Taxes .. .. .	..	.1	.1	.1	.1	.1	.1	.1	.1	.1	.2	.1	.2	.2	.2
Railways	8.2	13.6	15.4	15.6	15.6	15.1	17.5	17.1	16.8	18.8	16.4	15.9	16.3	14.8	15.2
Irrigation	3.1	3.3	3.3	3.2	3.4	3.1	3.1	3.4	3.5	3.5	3.8	4.0	4.4	3.5	4.4
Posts and Telegraphs .. .. .	.3	.6	.4	.5	.3	.3	.1	.03	.006	.2	.07	.1	.1	.1	.3
Interest Receipts	1.1	1.2	2.2	2.4	2.9	2.9	2.7	2.3	3.0	2.7	2.2	1.9	1.8	1.8	1.3
Civil Administration	1.9	1.8	1.9	1.9	2.0	2.0	2.2	2.4	2.5	2.6	2.8	2.9	2.9	2.8	3.1
Currency and Mint	2.3	1.8	1.4	1.8	1.1	1.9	1.2	1.3	1.2	.5	.8	1.0	.6	.6	.5
Civil Works .. .. .	.3	.3	.4	.3	.3	.3	.5	.5	.5	.8	.9	.9	.9	1.0	.8
Miscellaneous	4.6	1.0	1.3	1.1	1.1	1.1	1.1	1.2	1.6	1.3	1.6	1.3	1.3	1.0	1.2
Military Receipts	4.3	2.9	2.2	1.9	1.9	2.2	.7	1.5	1.6	1.9	2.0	1.7	2.6	2.4	2.4
Provincial Contribution .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Extraordinary Items .. .. .	..	..	1.2	1.1	.9	.8	1.6	.8	1.2	.8	.8	.3	.5	.3	.6

The foregoing table shows the comparative importance of different heads of revenue. We may now analyse these heads.

Customs

Customs is today the most important source of income in the Indian financial system, as it contributes about 24 per cent of the total revenues of the country. The great bulk of the Customs revenue is derived from import duties, the rest being contributed partly by export duties and partly by certain excise duties included in Customs revenue, such as duties levied on motor spirit, kerosene, silver, sugar, matches, iron and steel. This excise is different from the Provincial Excise.

In 1935-36, the imports contributed nearly 68 per cent of the total Customs revenue, exports 7 per cent and the excise duties about 23 per cent. The following table shows in detail the actual composition of Customs revenue in that year.

Sea Customs (Imports)

Articles	Revenue (1935-36) (In thousands of rupees)	Articles	Revenue (1935-36) (In thousands of rupees)
Ale, beer, porter, cider and other fermented liquors	38,42	Dyes derived from coal tar	34,26
Spirits and liqueurs	1,78,73	Machinery	1,76,84
Wines	14,19	Iron and steel	45,51
Spices	17,00	Silver, bullion, coin, sheets, plates etc.	38,51
Tea	15,23	Tin Block	9,04
Tobacco	1,04,54	Metals other than iron and steel, silver and black tin	88,01
Kerosene oil	1,49,50	Railway plant and rolling stock	19,40
Motor spirit	8,24	Artificial silk yarn and thread	28,62
Oils, batching, fuel, lubricating	45,11	Yarns and textile fabrics etc.	1,21,61
Cotton raw	58,42	Cinematograph films	13,99
Boots and shoes	12,53	Cement	8,09
Motor cycles, cycles, omnibuses, lorries etc. and parts thereof	1,28,78	Pneumatic rubber tyres and tubes	34,75
Electric lighting bulbs	18,06	Toys, games and sports goods	21,69
Wireless reception instruments and apparatus and other materials	10,81	Betel nuts	47,29
		All other articles	10,19,00

Protective Duties

Wheat and wheat flour	11	Silk fabric	67,60
Broken rice	11,52	Cotton hosiery	15,99
Sugar	3,24,16	Artificial silk fabrics	1,36,91
Heavy chemicals	15	Fabrics of artificial silk mixed with other materials	17,31
Iron and Steel	91,11	Other textile manufactures	42,40
Silver wire thread and other manufactures	5,05	Matches, match splints and veneers	7
Paper and Stationery	22,94	Wood pulp	8,56
Raw silk	33,45		
Silk yarn and thread	21,55	TOTAL IMPORTS	39,00,91
Cotton yarn and thread	40,83	Deduct Refunds and drawbacks	1,09,58
Cotton fabrics of British manufacture	2,24,69		
Cotton fabrics not of British manufacture	3,30,24	NET IMPORT DUTY	37,91,33

Articles	Revenue (1935—36) (In thousands of rupees)	Articles	Revenue (1935—36) (In thousands of rupees)
<i>Sea Customs (Exports)</i>		<i>Land Customs</i>	
Skin raw	1,02	Land Customs and Miscellaneous	52,28
Jute (raw and manufactured)	3,77,62	Excise duty on motor spirit ..	5,32,08
Rice	56,59	Excise duty on Kerosene ..	2,84,04
		” ” ” Silver.. ..	61
TOTAL EXPORTS	4,35,23	” ” ” Sugar.. ..	1,58,51
Deduct Refunds	3,44	” ” ” Matches ..	2,29,04
		” ” ” Steel ingots	35,06
NET EXPORT DUTY ..	4,31,79		
		TOTAL CUSTOMS REVENUE (GROSS)	56,27,76
TOTAL IMPORT AND EXPORT DUTIES	42,23,12		

The above table shows that of the imported articles, the most important in respect of revenue are spirits and liqueurs, tobacco, kerosene oil, cycles, omnibuses and lorries, machinery, metals, yarns, textile fabrics, sugar, cotton fabrics and artificial silk. Of the exports, raw jute brings in the largest amount, while the bulk of the excise revenue is derived from duties on motor spirit, kerosene, sugar and matches.

Customs Revenue has rapidly grown in importance since 1883-84. In that year Customs duties yielded 2.98 per cent of the total public revenues; in 1893-94, 9.21 per cent; in 1913-14 12.99 per cent; in 1923-24 24.30 per cent; in 1933-34, 23.30 per cent and in 1935-36, 25.7 per cent. The increase in the actual amount collected since 1881 is shown by the following figures.

Year	Gross Customs Revenue in rupees
1881-82 ..	2,53,96,120
1901-02 ..	5,74,95,285
1911-12 ..	9,70,28,499
1921-22 ..	34,40,98,381
1931-32 ..	46,43,66,526
1935-36 ..	54,11,48,975

This increase has been brought about mainly by the enhancement of tariff duties, especially during the post-War period. Until 1857, the Government of India adhered to the policy of free trade; only a small import duty of 5 per cent was imposed on finished goods and 3½ on raw materials. The financial stringency caused by the Revolt of 1857, however, obliged the Government to raise the general rate to 10 per cent but under the pressure of British textile interests the rate was gradually reduced. In 1882 all customs duties were abolished and India remained a free trade country until 1894. An attempt was made to crush the young textile industry of India by imposing on all Indian mill-made cloth an excise duty of 3½ per cent in 1896. Financial difficulties of the Government, however, brought about the reimposition of some import duties towards the end of the century though on the whole India retained a very low tariff until the beginning of the World War.

The economic disturbance caused by the war and the consequent financial stringency necessitated an increase in customs duties during the war period. In 1916 the general import tariff was raised from 5 per cent to 7½ per cent ad valorem, the free list was substantially curtailed and export duties were levied on tea and jute. The Budget for 1917-18 doubled

the rates of export duty on jute, and raised the import duty on cotton goods from $3\frac{1}{2}$ per cent to $7\frac{1}{2}$ per cent.

The low tariff of the pre-War days had seriously impeded the growth of Indian industries but during the war when the belligerent nations were preoccupied with war production, foreign competition in India declined considerably and consequently Indian industries took a big leap forward. Hence, after the war the demand for protection in India became more insistent than ever before. Meanwhile, the financial strain caused by the war made a general raising of import duties necessary even from the point of view of the Indian Exchequer. Therefore, in 1921-22, the general ad valorem duty was raised from $7\frac{1}{2}$ to 11 per cent, a special duty was levied on matches, the duty on imported liquor, sugar and manufactured tobacco was raised and the ad valorem duty of $7\frac{1}{2}$ per cent on certain luxury articles was raised to 20 per cent. There was a further rapid enhancement of almost all the import duties between 1922 and 1934.

The important point to be noted here is that while in the pre-War period the Indian tariff was purely a revenue tariff, that is, the duties were levied for fiscal purposes alone, the post-War enhancement in duties was partially governed by considerations of protection to certain Indian industries. This was due partly to the pressure from Indian industrialists and partly to the fact that a good deal of British capital had penetrated Indian industries by that time. The steel industry was the first to receive protection through the Steel Protective Act of 1924. Later on, some protection was granted to a few other important industries such as sugar, matches, cotton goods etc. The Ottawa Pact and the Indo-British Trade Agreement, however, made even this limited protection discriminating. The greatest defect of the Ottawa Agreement from the Indian point of view was that it dislocated India's trade with other countries without effecting any material improvement in Indian exports to the United Kingdom. The normally favourable balance of India's trade with countries other than the United Kingdom was disturbed and this worked to the detriment of India, because the bulk of Indian exports are taken by these countries, the United Kingdom taking only about one-third of the total exports. With the exception of Japan and to a slight extent Italy, the export trade of India with non-Empire countries has declined rapidly since the Agreement and the spirit of retaliation created by special preferences granted to British goods is still in evidence. That the Ottawa Agreement worked essentially to the advantage of Great Britain is seen from the fact that while the United Kingdom was able to increase her exports to the Indian market by 34 per cent within 4 years, i.e., from 1931-32 to 1934-35, India during the same period could not increase her exports to the United Kingdom by more than 10 per cent, and even this small increase was counterbalanced by the decline in Indian exports to non-Empire countries.

It will thus be noted that the Indian tariff remained until 1924 almost entirely a revenue tariff, and that the limited advantage given to Indian industries by the protective duties levied in recent years has been very materially reduced by the policy of Imperial Preference. This fact is highly significant because it shows why the enhancement of Indian customs duties has not, even in the post-War period, materially helped to stimulate internal production. No doubt, a few industries such as Sugar, and Iron and Steel, have expanded in recent years, but the general industrial life of the country has not benefited very appreciably from higher duties because these duties were, in the first instance, imposed for revenue purposes only and, later on, when the element of protection was introduced in the tariff, the advantages of the limited protection granted were seriously curtailed by the preferential treatment given to British goods. It should not be forgotten that customs duties are an important form of indirect taxation, the burden of which increases with every increase in customs revenue provided there is no corresponding expansion of internal production. In the case of India the total revenue derived from customs duties has increased rapidly without bringing about any material

development of production within the country. This means that the increase in customs revenue has been clearly at the expense of the Indian consumer.

Land Revenue

Next to Customs, Land Revenue is the most important source of government income. Land tax is by far the most burdensome tax in India, since it weighs most heavily on the poorer peasantry which constitutes the great majority of the population. The tax is regressive in incidence since the rate of payment is not adjusted to the economic capacity of the taxpayer, and all agriculturists, irrespective of differences in income, are taxed uniformly. Thus the land of a peasant, holding an acre or two is assessed at exactly the same rate as land of the same quality held by a big landlord. The land revenue code recognises no uneconomic holdings, and every bit of cultivated land is assessed. It is noteworthy that while the smaller incomes of the non-agricultural classes are exempted from direct taxation, a very substantial portion of the net earnings of even the poorest peasantry is taken away as land revenue or rent. The Indian peasant is undoubtedly one of the poorest and yet one of the most heavily taxed peasant in the world. In an overwhelming number of cases, the average profits from cultivation are not enough to guarantee a peasant family the minimum of sustenance for more than a few months in the year. Another objectionable feature of the system of land revenue assessment in India is its inflexibility. The fixing of rent and revenue in cash for long periods coupled with rigorous and forced collections, spells ruin for the bulk of the peasantry, whose holdings are astoundingly small. Cultivation being in most cases, either on the margin of subsistence or below it, a slight fall in prices or any damage to crop due to natural calamities, cause economic bankruptcy in the entire countryside, with the result that rent and revenue demands have to be met by the majority of cultivators from borrowed money. In India on an average, every third or fourth year is, from the point of view of agriculture, a bad year and since rent and revenue cash demands remain constant, the peasantry is driven increasingly into the clutches of money-lenders. The remissions of revenue granted by the Government in cases of extreme hardship are very meagre. It is noteworthy that while between 1929 and 1933 agricultural prices fell roughly by 50 per cent, the total land revenue collection in India fell very slightly. In several Zamindari areas the rentals have shown an increase during this period. Thus, not only the high rates of assessment but also the rigour with which these rates are enforced makes the land revenue system of India one of the most effective instruments for financial exactions from the people.

The gross land revenue receipts of India have increased steadily during the British period, since almost every new Settlement has brought about an enhancement in the rates of assessment. The following figures show the increase in land revenue since 1860.

Year	Gross Land Revenue of India in Rupees.		
1860-61	21,01,67,420
1890-91	24,04,52,090
1900-01	26,25,45,465
1910-11	31,31,92,815
1920-21	31,97,48,469
1930-31	30,27,70,807
1935-36	32,19,67,268

One of the most striking features of British land policy in India has been the strengthen-

ing of big landed interests at the expense of the peasantry. Since 1793 when the permanent Zamindari Settlement was introduced in Bengal, the Government has consistently followed the policy of fostering parasitic landlordism in India. In Bengal, Behar, United Provinces, Central Provinces, North Madras and several other parts of the country, the peasants were deprived of their ancient proprietary rights in land, which were by law transferred to a handful of middlemen called Zamindars, Taluqdars or Malguzars, most of whom were, under the Mughals, either revenue farmers or State officials without any proprietary rights. This was a clear attempt on the part of Imperialism to consolidate its position with the help of a new feudal aristocracy which could serve as a bulwark against mass revolt. Thus, while mass rack-renting of the peasantry by the Zamindars has been allowed by the Government, the Zamindars themselves have been taxed lightly. In Bengal today the Zamindars, who collect about Rs. 17 crores as rent from the peasantry, pay only about Rs. 4 crores to the Government as land revenue. In the temporarily settled Zamindari areas the difference between rent and revenue is not so great, but is certainly big enough to grind down the poverty-stricken peasantry in the interests of a small number of big landholders. It may also be noted that agricultural incomes are exempted from income tax, a fact which unduly favours the richer landowning class at the expense of the industrial and professional classes.

Taxes on Income

Progressive direct taxation plays a very minor role in the Indian financial system. Land revenue which may be taken to be a direct tax is not progressive in incidence; the taxation of land irrespective of the income of the landholder, makes the incidence of land revenue highly regressive in nature.

The only direct tax of any importance with a progressive incidence is Income Tax, but the receipts from this tax represent a comparatively small percentage of the total public revenue of the country. In 1935-36, the income tax receipts amounted to Rs. 17,09,95,721 out of a total revenue of Rs. 2,10,09,69,807, that is, 8.1 per cent of the total.

Income Tax, in India, was levied for the first time in 1860 for five years in order to meet the financial stringency caused by the Revolt of 1857. In 1867, a Licence Tax on trades and professions replaced the expired Income Tax. A Certificate Tax was levied in 1869, but in the same year this tax was converted into a general income tax. The rate of taxation and the taxable minimum was raised, but in 1872-73 the tax was again abandoned.

The financial difficulties of the Government due to famines and a falling exchange brought about the reintroduction of the Licence Tax on traders and artisans in certain provinces in 1877. By 1886 the Burmese War and the consequent increase in expenditure coupled with the losses on account of famines and falling exchanges, obliged the Government to reintroduce a general income tax on non-agricultural incomes. After 1903 and especially during the War the exempted minimum was raised and progression was introduced in the tax. In the budget of 1917-18 a Super Tax on incomes exceeding Rs. 50,000 was introduced. Later, the Super Tax was modified and subjected to a sharply progressive rate. The financial stringency caused by the economic depression made the Government reduce the minimum exempted from income tax, from Rs. 2000/- to Rs. 1000/- in 1931. The Rs. 2000/- exemption limit was however restored in 1935.

Receipts from taxes on income remained more or less constant until 1914-15, when they started increasing on account of the higher rates introduced during the war. The highest figure was reached in 1919-20. After that a gradual decline set in, but since 1924-25 the total receipts have been more or less constant, fluctuating around Rs. 17 crores per year. The following figures will illustrate this.

Year	Receipts from taxation on income. (In thousands of rupees)		
1861-62	2,05,46
1871-72	2,07,20
1901-02	2,05,39
1911-12	2,47,93
1914-15	3,05,50
1921-22	22,17,54
1924-25	16,21,23
1931-32	17,56,95
1935-36	17,09,95

The rates of income tax at present are as follows.

A. In the case of every individual, Hindu undivided family, unregistered firm and other association of individuals not being a registered firm or company.

	Tax per Rupee		
Incomes below Rs. 2000 a year	Nil
Incomes from Rs. 2000 to 4999	0 0 6
.. .. Rs. 5000 to Rs. 9999	0 0 9
.. .. Rs. 10000 to Rs. 14999	0 1 0
.. .. Rs. 15000 to Rs. 19999	0 1 4
.. .. Rs. 20000 to Rs. 29999	0 1 7
.. .. Rs. 30000 to Rs. 39999	0 1 11
.. .. Rs. 40000 to Rs. 99999	0 2 1
.. .. Rs. 100,000 upwards	0 2 2

B. In the case of every company and registered firm whatever its total income 0 2 2

The surcharge on these rates are one-twentieth of the amount of rate.

Super Tax is charged in respect of the excess over Rs. 30,000 of total income. The rates are as follows :—

1. In the case of every Company

- (a) In respect of the first twenty thousand rupees of excess over Rs. 30,000 Nil
- (b) For every rupee of the remainder of such excess :— 0 1 0

2. In the case of every Hindu undivided family :—

- (a) In respect of the first forty-five thousand rupees of excess over Rs. 30,000 0 1 3
- (b) For every rupee of the next twenty-five thousand rupees of such excess Nil

3. (1) In the case of every individual, unregistered firm and other association of individuals not being a registered firm or a company :—

(a)	For every rupee of the first twenty thousand rupees of excess over Rs. 30,000	0 9
(b)	For every rupee of the next fifty thousand rupees of such excess	1 3

3. (B) In the case of every individual, Hindu undivided family, unregistered firm and other association of individuals not being a registered firm or a company :—

(a)	For every rupee of the next fifty thousand rupees of such excess	1 9
(b)	” ” ” ” ” ”	2 3
(c)	” ” ” ” ” ”	2 9
(d)	” ” ” ” ” ”	3 3
(e)	” ” ” ” ” ”	3 9
(f)	” ” ” ” ” ”	4 3
(g)	” ” ” ” ” ”	4 9
(h)	” ” ” ” ” ”	5 3
(i)	” ” ” ” ” ”	5 9
(j)	” ” ” ” ” ”	6 3

It may be observed that income-tax rates in India are considerably lower than the European rates, but this does not mean that the burden of the tax is lighter in India, because the difference in the per capita income of India and the European countries is, in most cases, greater than the difference in income tax rates. Moreover, as compared to direct taxation in more advanced countries, income tax in India weighs more heavily on the smaller incomes. Not only are the Indian rates for bigger incomes much lower in comparison to other countries, but the progression in incidence is also far smaller. Besides agricultural incomes in India, however big are not subject to income tax and there are no death duties and other special taxes on windfalls, gifts etc. which are normally imposed on the richer classes in other countries. A disparity of this nature in a poor country like India where the economic standards of the great majority of the population, including a very large section of those who pay income tax, are comparatively very low, is yet another proof of the exploiting nature of the present financial system.

Excise

Excise revenue is derived from License and Distillery fees and Duties for sale of the following liquors and drugs :—

1. Country Spirits
2. Country fermented liquor
3. Malt liquors
4. Foreign wines and spirits
5. Opium
6. Other drugs such as 'ganja,' 'charas,' 'bhang' etc.

Besides, there are profits from Government Commercial Undertakings.

Country spirits and liquor are the main source of revenue. Drugs contribute a considerable amount, but the revenue derived from foreign wines and spirits is almost negligible. The revenue is collected through (a) licence fees for manufacturing liquor and (b) licence fees for retail sale. Still head duties are paid by spirits manufactured in distilleries while

outstill spirits are produced under a right to that effect obtained by auction. The right to sell intoxicating drinks or drugs in any given area is granted by contract.

Since Excise is now a Provincial Subject the duties vary from province to province. The principle governing the fixing of the rates is the highest rate compatible with the prevention of unauthorised and illicit distillation.

The rapidity with which Excise revenue has increased since 1860 is illustrated by the following figures.

Year		Excise Revenue
1861-62	.. ..	1,78,61,570
1871-72	.. ..	2,36,91,090
1881-82	.. ..	3,42,72,740
1891-92	.. ..	5,11,72,640
1901-02	.. ..	6,11,50,215
1911-12	.. ..	11,41,46,285
1921-22	.. ..	17,18,61,914
1931-32	.. ..	14,85,79,932
1935-36	.. ..	15,26,24,380

This increase is to be accounted for mainly by a steady rise in the rates of duties and improvement in the system of control.

Excise duties are an important form of indirect taxation the main burden of which falls on the poorer classes who are the chief consumers of those drinks and drugs from which the excise revenue is drawn. Nor can we say that the enhancement in the rate of excise duties has given rise to any compensating advantages. The supporters of prohibition justify increasing duties on the ground that they serve as a check on intemperance. This may be true, especially if the duties rise so sharply as to make the consumption of intoxicating drinks and drugs an extremely expensive habit. In any case, in India, while the increase in the rate of excise duties has added to the burden of indirect taxation, the consumption of intoxicants has not been appreciably reduced. Hence, the above noted increase in the revenue has meant a substantial addition to the burden of taxation on the poorer sections of the population.

Salt

Before 1843, salt revenue was collected through transit dues levied on traffic passing along commercial highways. These dues were abolished in 1843, and a consolidated duty was levied on all salt manufactured in the country. From 1855 to 1886, the salt duty was gradually reduced, but in the latter year the financial difficulties of the Government necessitated an enhancement in the rate. From 1886 to 1903 the salt duty was Rs. 2/8/- per maund of 82 lbs. It was reduced in 1903 to Rs. 2/-, in 1905 to Rs. 1/8/- and in 1907 to Re. 1/-, but was raised to Rs. 1/4/- in 1916. In 1923, it was suddenly doubled to Rs. 2/8/-, but was reduced again in the next year to Rs. 1/4/-, at which level it remained until September 1931, when

it was again raised to Rs. 1/9/-. Until 1931, the customs duty levied on imported salt was the same as the excise duty on Indian salt but the Indian Salt Act XIV of 1931 imposed an additional customs duty of 4½ annas per maund on imported salt. This additional customs duty was reduced by 2 annas in 1933. The Salt Additional Import Duty (Extending) Act of 1934 extended the operation of Salt Act of 1931 with certain modifications.

At present the main sources of Salt revenue are (a) Excise duty on salt manufactured in India, (b) Customs duty on salt imported by sea and (c) Sale of government salt. The first contributes the largest amount.

The main sources of supply of Indian salt are, (a) Salt Range and Kohat mines in the Punjab and the North-Western Frontier Province, (b) Sambhar Lake in Rajputana, (c) Salt brine found on the borders of the lesser Rann of Cutch and (d) Sea Salt manufacturing establishments of Bombay, Madras and the mouth of the Indus.

Roughly one-half of the Indian salt is manufactured directly by Government agencies, the rest being produced under licence and excise systems. In some cases Government salt factories are leased out to private traders or companies; in some other cases, as in Madras the Government merely levies an excise duty and allows the licensee to dispose of his produce, while very often the private manufacturers are obliged to sell their produce to the Government only. The general policy is to keep the salt supply of the country strictly under Government control.

Salt contributes substantially to the public revenues of the country. Taxation of salt is defended by the Government on the ground that it is the only way in which the poorer population which is exempted from direct taxation can contribute to public revenues. This argument is manifestly wrong, because, apart from the burden of land revenue which falls directly on a very large section of the poorer population, the incidence of indirect taxes such as Excise, Stamps, Registration and even customs duties is also borne mainly by the poor. Salt being a universally used commodity with a highly inelastic demand serves as an excellent source of revenue for the Government, but the burden of the salt tax falls most heavily on the poverty-stricken population, since it is levied on one of the most elementary requirements of life and is regressive in incidence. That a high salt duty serves to restrict the use of salt is seen from the fact that successive reduction in the duty has caused consumption to increase considerably. Between 1903 and 1908, for example, when the duty was substantially reduced the amount of salt consumed increased by 25 per cent. The salt tax may be considered to be the most burdensome of all indirect taxes, because unlike such duties as Excise, Registration, Stamps etc. it falls on one of the most vital requirements of life, any reduction in the use of which is bound to have an undesirable effect on the health and physique of the people.

Stamps

Stamps revenue is divided into (1) Revenue from Judicial stamps and (2) Revenue from non-Judicial or commercial stamps. The actual sources of revenue are :—

1. Sale of stamps
2. Duty on impressing documents.
3. Fines and penalties.
4. Sale of plain paper (in the case of Judicial stamps)
5. Miscellaneous.

Judicial stamps are imposed on all plaints, petitions and other documents brought before civil, criminal and revenue courts. Commercial stamps are levied on commercial

transactions such as bonds, cheques, bills of exchange, receipts, affidavits, agreements, awards, conveyances, leases, debentures, transfer of shares and debentures, probates etc.

Stamp duties are an important item in the revenue system of India. Not only do they contribute a substantial amount to the total revenues but their collection and superintendence is highly convenient. The total stamps revenue has increased considerably since 1911-12. The following table shows this.

Year							Total Stamps Revenue in rupees.
1911-12	..	..	..	..	..	..	7,22,26,940
1921-22	..	..	..	..	..	..	10,88,06,852
1931-32	..	..	..	..	..	..	11,97,02,975
1934-35	..	..	..	..	..	..	12,02,47,777

It is important to note that the bulk of the revenue from Judicial stamps is drawn from the poorer classes. In 1932, for example, of a total number of 2711306 civil suits instituted in British India, 302230 suits were under Rs. 10 in value, 1005314 were between Rs. 10 and Rs. 50 in value and 522,324 were between Rs. 50 and Rs. 100 in value. Thus, 1829868 suits out of 2711306, or 67 per cent of the total number of suits were under Rs. 100 in value. In criminal cases too, the poor classes are mostly involved. Therefore, the burden of judicial stamps as an indirect tax falls mainly on the poor. And it may be noted that judicial stamps are responsible for about 75 per cent of the total stamps revenue.

Forest

Over 20 per cent of the total area of British India is covered by forests and is under the control of the Forest Department. This area has been divided into three categories, namely (1) Reserved forests, (2) Protected forests and (3) Unclassed forests. The Reserved forests are governed by minute regulations regarding the use of the forest area by the neighbouring population, and the permission to graze cattle and remove forest produce is very sparingly granted. In the Protected forests the control is comparatively less rigid and greater freedom of use is allowed. The Unclassed forests are unimportant in point of utility and are therefore not subject to any systematic management. The forest area of British India was 249,710 square miles in 1930, or 22.6 per cent of the total area and was divided as follows: Reserved forests 107,753 square miles, Protected forests 6,263 square miles and Unclassed forests 135,694 square miles.

India is very rich in forest wealth, but most of this wealth is yet unexploited. The major forest produce are timber and firewood, while the minor produce comprise such articles as bamboos, leaves, fruits, fibres, grass, gums, raisins, barks, animal and mineral products etc. The average annual outturn of timber and fuel from all sources during the quinquennium ending 31st March 1931 was 353,863,000 cubic feet.

The forest policy of the Government has been confined to preserving the forests from destruction, but with the exception of the sale of timber and a few other minor products, hardly any attempt has been made to convert the forests into feeders of national industries. The mere conservation of forests without any attempt to develop them as a source of national wealth has deprived the rural population of a good deal of its fuel supply and grazing grounds for cattle, without any compensating advantages. The strict regulations which govern Reserved forests especially in regard to the grazing of cattle and the collection of fuel causes considerable hardship to the poorer peasantry, who since time immemorial have depended a great deal on forest produce for the maintenance of their animals and even of themselves.

The undeveloped state of Indian forests is closely linked with the general industrial backwardness of the country. The utilisation of forests for the growth of national wealth is dependent on the development of special forest industries, and the linking up of these industries with forest areas through adequate means of communication. In India both of these factors are absent. Our forest industries are few and negligibly small. We import paper and pasteboard amounting in value to over Rs. 100,00,000 per year. In addition, we import yearly thousands of tons of paper pulp. If an adequate supply of bamboo and elephant grass could be made available to Indian paper industry, India could easily dispense with a good deal of imported paper. The commercial exploitation of forests in the interest of national industries could give a great stimulus to such industries as matches, rubber, pine, resin, lac, turpentine, sandalwood oil etc. But the problem of these industries is a part of the general problem of industrial development of the country as a whole, consequent on the removal of the manifold restrictions imposed on it by British Imperialism.

While, as a source of national wealth, forests have so far played a very minor part in the Indian economy, they have progressively grown in importance as a source of revenue for the Government. The following figures show the rapid increase in Forest revenue since 1864-65.

Year	Forest Revenue in Rs.					
1864-65 to 1869-70	37,40,000
1900-01	1,97,70,000
1910-11	2,74,05,000
1920-21	5,36,76,000
1930-31	4,73,34,000
1935-36	4,31,61,000

The bulk of this revenue is derived from the sale proceeds of timber and a few other products, plus fees levied on private agencies for permission to graze cattle or to extract firewood, bamboos, canes, timber etc., which shows how crudely and wastefully the forest wealth is being exploited. The forests can become an invaluable asset to our national economy if they are closely linked up with the industrial life of the country.

Registration

The revenue under this head is derived from fees levied on the registration of documents. Documents relating to gifts of immovable property of big value, long leases etc. are subject to compulsory registration, while the registration of documents relating to gifts of immovable property of small value, rights in movable property, wills etc., is optional.

The most noteworthy feature of Registration revenue has been its rapid increase since 1910. In 1911-12 the total revenue from Registration was only Rs. 63.56 lakhs, in 1924-25 it was Rs. 127.50 lakhs and in 1935-36 Rs. 118 lakhs.

This increase is to be accounted for mainly by an increase in the total value of the property registered. In 1911-12 the value of immovable and movable property transferred, after being registered in British India, was Rs. 107.32 lakhs and Rs. 8.10 lakhs respectively, in 1924-25 it was Rs. 210.45 lakhs and Rs. 10.21 lakhs respectively.

The rise in the total value of the property registered and transferred is an indication of increasing economic stress and strain in the country and the growing pauperisation of the population, which is causing property to change hands at an ever quickening pace.

Registration charges constitute an indirect taxation, not a small part of the burden of which

falls on the poorer classes, especially where the transfer of land is concerned.

Opium

Opium is produced in the United Provinces under Government supervision, and in the States of Central India, Rajputana and Gwalior under certain special arrangements with the State governments. It is bought by the Government from the cultivators or from the States concerned in a crude condition, at a fixed rate. It is then refined at the Government factory at Ghazipur and made up into three different forms, (1) for sale to foreign and colonial governments, known as Provision opium, (2) for consumption in India, known as Excise opium, and (3) for medical use known as Medical opium. The revenue from opium is derived partly from monopoly profits from domestic consumption credited to Excise, partly from sales to countries other than China and partly from duties levied on the opium imported from Indian States.

Until 1912-13, opium contributed very substantially to the total revenues of the country, but since that year income from opium has declined steadily. In 1880-81, the total opium revenue was Rs. 10,48,00,000, in 1910-11 it was Rs. 11,28,29,000 but in 1920-21 it was Rs. 3,53,41,000 and in 1935-36 Rs. 61,10,358

Up to 1867, opium revenue was a very uncertain and fluctuating source of income and its precariousness upset not a few well balanced budgets. Later, when the Government adopted the policy of fixed sales and stable prices by their control of opium trade, the harmful effects of private speculation on the revenues decreased, although a certain amount of speculation remained in spite of the Government's attempt to control the market.

The resistance of the Chinese Government to the forcing of Indian opium on the Chinese people reduced the profits of the Indian opium trade. Hence, in 1907 the Government of India decided to curtail progressively every year the amount of opium exported to China, and in 1913 stopped the export totally.

Today, opium revenue represents a small percentage of the total revenues of the country.

Railways

The construction of Railways in India was started as early as 1845 when private corporations were granted permission to start a line from Calcutta to Raniganj, another from Bombay to Kalyan and a third from Madras to Arkonam. But it was only after the Revolt of 1857, during which the need for rapid transport of troops had been severely felt, that the Government embarked on a vigorous policy of railway development. In order to attract British capital to Indian Railways, the Government offered a guarantee of a minimum return of 5 per cent per annum on the capital investments of all railway companies, in addition to granting free the land required for the construction of the lines. These terms, highly favourable as they were, attracted a great deal of foreign capital and since 5 per cent return was guaranteed, wasteful over investment of capital in construction became the rule. Between 1854-60 the Government entered into contracts with eight companies.

The guarantee of 5 per cent, however, soon became highly burdensome for the Government, and in 1869 it was decided not to enter any more into contracts with private agencies, but to construct state railway lines with the help of the funds borrowed by the Government. In accordance with this decision, for several years after 1869, the capital expenditure on new railways was incurred directly by the Government. But the financial difficulties of the exchequer caused by the falling of the rupee and expenditure on the famines of 1874 and 1879, obliged the re-adoption of the guarantee system.

From 1879 on, contracts with private companies were freely entered into. Interest

was again guaranteed but at a lower rate, usually $3\frac{1}{2}$ per cent. Moreover, this time the lines constructed by the companies, though allowed to be managed by the companies themselves, were declared to be the property of the Secretary of State for India, who was entitled after 25 years from the commencement of the line, or at subsequent intervals of 10 years, to change or redetermine the terms of the contract.

Until 1900, however, the railways continued to be a serious burden on the Indian exchequer, because while most of the lines were running at a loss, the Government had to pay annually to the companies the minimum guaranteed rate of interest. The total loss to the Government on account of railways amounted, by 1900, to £51.52 millions. After 1900 railway finances improved and until 1914 railways continued to expand rapidly. The number of miles open for traffic increased from 24,713 in 1900 to 35,285 in 1914-15.

During the war, railway development received a setback partly because of the financial difficulties of the Government which necessitated a serious curtailment in the annual capital expenditure on the railways and partly because of the strain to which the railways were subjected by Government demand for rapid transport of troops and war material. Yet, the mileage continued to increase steadily and reached the figure of 37,029 in 1920-21.

The Acworth Committee which was appointed in 1920 to examine the whole question of railway management in India, pronounced in favour of State management. The Committee also recommended the separation of railway finance from general finance, a recommendation which was accepted by the Government with the stipulation that if the amount available for the transfer to the Railway Reserve Fund exceeds rupees three crores, one-third of the amount should be paid to the General Revenues. Further the Acworth Committee suggested the reorganisation of the Railway Board in a manner as to bring it under the effective control of the Government of India.

At present a few railway lines, such as N. W. R., E. B. R., E. I. R., G. I. P. and Burma Railways are owned and managed by the State. Six lines, namely B. B. & C. I., M. & S. M., Assam Bengal, B. N., and S. I. Railways are owned by the State but managed by the companies having a guarantee of interest from the Government. The B. & N. W., Rohilkhand and Kumaon and Southern Punjab Railways, and a few other smaller lines are owned by private companies. In addition to these, there are certain lines owned by Indian States. The total railway mileage open is nearly 43000 miles. The total capital of all State railways, whether worked directly by the State or by the Companies was Rs. 795 crores in 1934-35. As stated above, the railways ran at a clear loss till the beginning of this century and the deficit had to be met from ordinary revenue. But from 1899 to 1930, the railways contributed some amount every year to the general revenues, with the exception of 1921 when there was a loss. During seven years, from 1924 to 1931, the railways contributed to the General Revenues Rs. 41.65 crores. Since 1931, however, due largely to trade depression, the railways have again been running at a loss. The following table shows the deficit in the railway budget since 1931.

Year	Deficit in Lakhs of rupees						
1930-31	624
1931-32	986
1932-33	1080
1933-34	796
1934-35	506
1935-36 (Revised)	454
1936-37 (Budget)	344

The present depressed state of the railway finances may be attributed to the fact that

while, with the decline in trade and commerce since 1930, the receipts have fallen considerably, a corresponding reduction in the 'fixed charges' for interest and depreciation and other working expenses has not been brought about. The situation cannot be improved by an enhancement in rates and fares, because in view of the low paying capacity of the country, these are already high enough. A recent investigation into the level of railway rates in India and England, revealed the fact that Indian scale is intrinsically higher than that of England (See *Indian Finance Year Book* 1936. Page 295). Indian fares are undoubtedly low but the general poverty of the country does not leave any scope for increase; in fact in order to withstand the road competition a reduction in short distance fares is necessary. There is some room for administrative economies but unless the fixed interest charges are appreciably scaled down, the financial position will not improve.

The steady growth of interest charges has been mainly responsible for the decline in the net return from Indian railways. While the return on the capital invested in State owned railways has fallen considerably, the payment that the Government has to make annually as interest on the capital borrowed has remained almost constant. This has thrown the railway finances entirely out of gear. The fact that a great deal of British capital has been invested in Indian Railways makes the Government of India maintain and safeguard these high interest rates. In fact, due provision has been made that under the new Constitution the interests of British capital will continue to determine the railway policy in India, and for this purpose a special body called the Railway Authority will be created, which will be virtually independent of the Federal Legislature and will control the Railway finances.

Irrigation

The net revenue shown under this head includes direct charges for irrigation, and a part of land revenue, which is assigned to the irrigation department, minus working expenses. Irrigation dues are generally collected separately but in some provinces, as in Sind, Bombay and Madras, irrigation charges are included in the land revenue, though after the collection, they are separated and transferred to the irrigation account.

Irrigation works for which Capital Accounts are kept are those which are run on a quasi commercial basis. Those for which no Capital Accounts are kept are non-commercial works. All these works are separate from "Civil Works".

Before 1924, all irrigation works maintained by the Government were divided into three classes, Productive, Protective and Minor, but this classification was abandoned in favour of grouping all major and minor works for which Capital Accounts are kept under two heads, namely Productive and Unproductive. Productive works are those which, within ten years of their completion, bring sufficient revenue to cover the working expenses and the interest on the capital cost. The majority of big irrigation systems in India are Productive. The unproductive works are mostly protective in nature, that is, they are constructed primarily with a view to protecting those areas which are specially liable to drought. These works, do not always cover the working expenses and the interest on capital outlay, and are therefore financed to a considerable extent from the annual grants for famine relief and insurance.

A third category of minor works for which no Capital Accounts are kept covers about one-eighth of the whole irrigated area of British India.

Taking British India as a whole, between 1900 and 1918-19, the net annual revenue on the total capital outlay was invariably over 6 per cent and in some years exceeded even 7 per cent. From 1919 to 1925-1926 the net revenue was constantly over 7 per cent. Since that period there has been a gradual decline; in 1929-30 it was 5.44 per cent and in 1932-33, 5.35 per cent. But, on the whole the return on the capital invested in irrigation has always been higher than the prevalent market rate of interest.

A better picture of the profitableness of irrigation to the Government can be secured by noting the percentage of net revenue on total capital outlay of some of the important irrigation systems of different provinces. The following table shows this for the year 1932-33.

Irrigation system						Percentage of net revenue on total capital outlay
Godavri Delta System	(Madras)	..	..	..	..	22.77
Krishna Delta System	"	..	..	..	..	18.02
Cauvery Delta System	"	..	..	..	..	14.27
Pennar River Canal System	"	..	..	..	..	6.97
Periyar System	"	..	..	..	..	6.39
Lower Coleroon Anicut System	"	..	..	..	..	11.30
Ganges Canal	(U. P.)	..	..	..	..	14.24
Eastern Jumna Canal	"	..	..	..	..	41.85
Upper Bari Doab Canal	(Punjab)	..	..	..	..	19.27
Western Jumna Canal	"	..	..	..	..	11.50
Sidhnai Canal	"	..	..	..	..	46.71
Sirhind Canal	"	..	..	..	..	11.40
Chenab inundation Canal	"	..	..	..	..	22.83
Lower Chenab Canal	"	..	..	..	..	39.46
Lower Jhelum Canal	"	..	..	..	..	16.40
Lower Bari Doab Canal	"	..	..	..	..	30.47

The following table shows the net receipts from irrigation and the percentage of these receipts on the total capital outlay.

Year	Net receipts	Percentage of net receipts on the total capital outlay
1900-01	2,77,70,135	6.55
1910-11	3,73,02,228	<u>6.3</u>
1920-21	5,75,78,356	<u>7.32</u>
1932-33	8,57,12,308	5.44

It may be noted that the above figures are for the year 1932-33, when the agricultural prices were about one-half of the prices prevailing in 1928 and when consequently the agricultural classes were in acute economic straits. The adherence of the Government to the policy of profitable investment in irrigation, not only causes irrigation rates to be much above the taxable capacity of the agriculturists, but also checks the expansion of irrigation to those areas where profitable returns are not possible in the near future.

Extensive irrigation is one of the vital needs of an agricultural country like India, where the vagaries of rainfall are considerable. The following figures which are for 1933-34, however, show the inadequacy of irrigation by Government works, in several provinces.

Province	Net area cropped in the Province (in acres)	Area irrigated by Government irrigation works (in acres)	Percentage of area irrigated to total cropped area.
Madras	37,539,000	7,302,000	19.4
Bombay Deccan	26,405,000	388,000	1.4
Sind	4,192,000	4,069,000	97.1
Bengal	27,921,000	130,000	0.5
United Provinces	35,033,000	3,827,000	10.9
Punjab	29,833,000	10,485,000	35.1
Burma	18,164,000	2,054,000	11.3
Bihar and Orissa	29,547,000	853,000	2.9
C. P. (excluding Berar)	20,809,000	323,000	1.6
N. W. F. Province	2,555,000	410,000	16.0
Rajputana	446,000	27,000	5.9
Baluchistan	410,000	20,000	5.0
Total	232,854,000	29,888,000	12.8

The incidence of irrigation revenue is very much akin to the incidence of land revenue. Water charges too are not adjusted to the taxable capacity of the payer but are levied uniformly on all owners or occupiers of land, irrespective of individual differences in income. This naturally causes the burden of irrigation tax to fall with the greatest weight on the poorer agriculturists. Besides, irrigation charges are as inflexible as land revenue, in spite of the heavy fall in prices in recent years the charges have remained constant, with the result that today they constitute one of the heaviest burdens on the peasantry. In fixing these charges the primary consideration for the Government is an adequate return on the capital invested, and through over taxation the profits from irrigation works are maintained at a high level.

Civil Administration.

Civil Administration receipts represent a very small percentage of the total receipts. The main sources of income under this head are shown below.

ADMINISTRATION OF JUSTICE

Revenue under this head is derived mainly from Judicial fees and fines and forfeitures ordered by Courts.

JAILS AND CONVICT SETTLEMENTS

The revenue consists of the proceeds of the sale of Jail manufactures.

POLICE

The receipts of Police department are very small and consist of (1) recoveries of expenditure on special police, (2) fees levied for services controlled by the Police department such as receipts under the Public Conveyance Act., etc. and (3) recoveries from railway companies under the terms of contract with them.

EDUCATION

The revenue from Education consists mainly of school and college fees from those insti-

tutions which are under the Department of Education. Certain classes of Educational institutions, eg. Medical, Industrial or Agricultural are controlled by the respective departments administering those subjects.

MEDICAL

The receipts in this case are composed of fees paid by students in Medical Schools and Colleges and the amounts recovered from paying patients in hospitals.

PUBLIC HEALTH

The revenue under this head is drawn mainly from the sale proceeds of Sera and Vaccines.

AGRICULTURE

The receipts of this department are derived from experimental Government farms, botanical gardens and from the sale of anti-rinderpest serum. Some amount is received in the form of fees from agricultural and Veterinary educational institutions.

INDUSTRIES

The receipts under this head relate to some industries conducted by the Government, and transactions connected with Cinchona plantations, industrial education etc.

CIVIL WORKS

The revenue is derived from tolls on roads, ferry receipts, cemetery receipts, receipts from workshops, rents of Government buildings etc.

SUPERANNUATION ALLOWANCES AND PENSIONS

The revenue on this account is drawn from subscriptions under I. C. S. family pension Regulations and Contributions received from foreign Governments in respect of pension of officers lent to them.

STATIONERY AND PRINTING

Receipts under this head cover the sale proceeds of Government publications.

MISCELLANEOUS DEPARTMENTS

Under this head are included the receipts from the residue of the departments of Civil Administration such as Labour and Emigration Department, Statistics Department, Inspection and Tests Departments etc.

Interest on Government Loans

Interest revenue on this account is derived partly from loans by the Central Government to Indian States or Provincial Governments or for regimental and military purposes etc. and partly from advances by Provincial Governments to Municipalities, Corporations, District and Local Fund Committees etc. Besides, there are some receipts from Saving Bank deposits, Cash Certificates, Special loans, and Deposits of various funds established by the Government.

Scheduled Taxes

These taxes were levied by the Provincial Governments for the first time in 1922—23. They include, (1) Entertainment taxes, (2) Betting Taxes and (3) Luxury Taxes.

Currency and Mint

Receipts under this head include interest on Securities of the Paper Currency Department, profits of printing notes and Minting coins, and other miscellaneous receipts.

Military

Military receipts are negligible in amount. They are mostly derived from the lending of troops for certain special services, Cantonment revenues, sale of discarded military equipment etc.

Posts and Telegraphs

Posts and Telegraphs contribute a negligible amount to the total revenues of the country. If the expenditure of the department is not covered by the receipts, the surplus or deficit is charged to ordinary revenues. The following figures show the total revenue and expenditure of the department from 1930-31 to 1934-35

Year	Total Revenue	Total Expenditure	Surplus (+) or loss (-) as compared with previous year
1930-31	10,77,86,000	12,11,35,000	19,41,000
1931-32	10,64,59,000	11,58,44,000	-52,91,000
1932-33	10,55,40,000	10,97,30,000	-61,14,000
1933-34	10,72,62,000	11,24,55,000	27,25,000
1934-35	11,19,87,000	10,81,93,000	-42,62,000

Restatement of the main features of Indian System of taxation

We may now restate the main features of the Indian scheme of taxation and see how this scheme compares with those of the more advanced countries.

In the first place, it may be observed, that direct taxation with a progressive incidence occupies a very subsidiary position in the Indian financial system. The great bulk of the public revenue in India is derived from taxes which have a regressive incidence. Land revenue though a direct tax weighs far more heavily on the poorer than on the richer classes. The same is generally true of all the important indirect taxes, such as Customs duties, Excise duties, Registration and Stamps charges, Salt duties etc. In fact, income tax is the only tax, the burden of which increases progressively with income of the taxpayer, but the yield from it is only about 8 per cent of the total public revenue of the country.

As against this, progressive taxation plays an important part in the financial systems of all the advanced European countries. In Great Britain for example direct taxation of income, including income tax, surtax, excess profit tax and death duties, was responsible, in 1935-36, for 44 per cent of the total public revenue. In Germany, in 1934-35, income tax and succession duties brought about 32 per cent of the total revenue of the country. An equally large amount was contributed by other direct taxes which included taxes on real estate transactions, on the movement of capital and on transport. In France total direct taxes including taxes on income from securities but excluding land tax constituted, in 1936, nearly 25 per cent of the total public revenue.

The predominance of land revenue is another feature of the Indian scheme of taxation which distinguishes it from the schemes of the industrially advanced countries. In India

land revenue represents about 15 per cent of the total public receipts. As against this in Great Britain land tax and mineral right duties contributed, in 1935-36, only £0.8 million to a total public revenue of £824.8 million. According to the French budget estimate for 1936, land tax on built and non built property, and taxes on agricultural profits together accounted for 1097 million francs out of a total revenue of 40450 million francs, i.e., 2.5 per cent. The Italian budget for 1936-37 estimated the receipts from land tax at 152 million liras which represented only .7 per cent of the total estimated public revenue for that year. In Greece taxes on agricultural production constituted only 4 per cent of the total public receipts in 1934-35. In Hungary, in 1935-36, land tax contributed only 30 million Pengos to a total revenue of 1100.2 million Pengos, or nearly 3 per cent. In Belgium, in 1936, land tax was responsible for 366 million francs out of a total revenue of 10459 million francs, i.e., for 3.5 per cent. In Spain in 1935 land tax brought only 11 per cent of the total revenue.

The importance of land revenue in the Indian financial system is, on the one hand, an evidence of the industrial backwardness of the country, and on the other, a proof of the fact that the overwhelming burden of imperialist exploitation is borne by the Indian peasantry.

The third distinguishing feature of the Indian taxation system is the importance of customs revenue which constitutes over 23 per cent of the total public receipts. It is noteworthy that customs receipts make a far larger contribution to the Exchanger in India than they do in most of the other countries of the world. In France customs duties are responsible for about 16 per cent of the total public revenue, in Belgium they contribute about 14 per cent, in Austria 16 per cent, in Germany 17 per cent, in Sweden 11 per cent, in Italy 9 per cent, in Bulgaria 13 per cent, in Poland 5.5 per cent, in Spain 1.5 per cent, in Hungary 3 per cent. It is only in Great Britain that the contribution of Customs duties approximates to that of India and was about 23 per cent of the total receipts in 1935-36.

As we have already observed, the unique importance of customs revenue in India is an expression of the excessive dependence of Indian economy on import and export trade. This has been necessitated by the peculiar economic relationship which exists between India and Great Britain, in which India occupies the position of a supplier of raw materials to British industries and a purchaser of British manufactures. It also shows that direct taxation of the Indian masses, especially the peasantry has been carried so far that the Government has to depend primarily on such indirect taxation as customs duties for more revenues.

In the absence of detailed statistics regarding the incidence of various taxes on different sections of the population, it is difficult to calculate precisely the comparative burden of taxation on the rich and the poor. It would, however, be seen from the above account that the main part of the burden of taxation in India is borne by the poorer classes. This is due, firstly, to the fact that indirect taxation with regressive incidence plays a very important part in Indian finances and, secondly, that, of the important direct taxes, only one tax, namely Income-tax, has a progressive incidence, land revenue being decidedly more burdensome on the poor than on the rich.

To review the incidence of each tax separately, we may note that in the case of Customs revenue, the proceeds from luxury articles may be taken to come exclusively out of the pockets of the rich. As for the rest of the revenue the burden is shared by all classes, but since the great majority of the population can be classed as poor, the incidence of total customs revenue may be safely assumed to be divided between the rich and the poor in the proportion of 1 to 3.

The burden of land revenue and irrigation charges falls mainly on the poorer classes who cultivate the soil. It can, no doubt, be argued with some plausibility that a part of the burden is borne directly by the zamindars and other middlemen through whom land revenue is collected in some provinces, but it must not be forgotten that in the last

analysis every pie of the income of the zamindar comes from the pocket of the cultivator.

Excise revenue too is derived very largely from the poorer classes, since the commodities which are responsible for the great bulk of excise revenue, namely, country liquor, toddy, charas, bhang, ganja etc. are consumed almost exclusively by the poor.

Stamps revenue is drawn mainly from small civil suits and criminal cases, in both of which it is the poorer section of the population which is chiefly involved.

Nearly 80 per cent of the salt revenue may be taken to come out of the pockets of the poorer population.

Of the forest and registration revenues about 60 per cent may be safely taken to be borne by the poorer elements.

Of the railway earnings, roughly 40 per cent is accounted for by passenger traffic and 60 per cent by goods. Of the receipts from passenger traffic nearly 80 per cent is contributed by third class passengers. A considerable part of the goods charges too, especially those levied on articles of common consumption, ultimately fall on the poorer elements. Taking everything into account, it would not be unsafe to presume that one-third of the railway receipts are drawn from the richer classes and two-thirds from the poorer classes.

The total postal revenue may be presumed to be divided between the rich and the poor in the proportion of 4 to 6.

It will thus be seen that the Indian scheme of taxation weighs most heavily on those very sections of the population which are the least fitted to carry the burden. It may be argued, with some plausibility, that in a poor country like, India where the well-to-do classes form a small fraction of the population, the bulk of the revenue is bound to be drawn from the poorer elements. Whatever truth there may be in this argument, it cannot be advanced in defence of the financial policy of an imperialist government which itself is directly responsible for the economic backwardness and poverty of the country. In fact, on the other side, it can be argued, that imperialism has all along tried to perpetuate this backwardness and poverty through its financial arrangements.

CENTRAL AND PROVINCIAL EXPENDITURE

The following table shows the Central and Provincial Expenditure, from the year 1921-22 to 1935-36.

It will be seen from this table, that the total annual expenditure showed, on the whole, an upward tendency until 1930-31, when as a result of the contraction in revenues occasioned by the depression, it started declining, though the maximum fall in anyone year did not exceed a few crores. A slight increase has been noticeable since 1934-35.

Military Services absorb by far the largest amount, though there has been a considerable decline in military expenditure since 1921-22. The total expenditure on this account fell from Rs. 77,87,98,340 in 1921-22 to Rs. 50,18,53,253 in 1935-36. This has been due mainly to retrenchment in the services.

Interest on Public Debt constitutes the next biggest item of expenditure, which has rapidly grown in importance. The total expenditure on Debt Services was Rs. 30,96,96,664 in 1921-22; this amount rose steadily from year to year until it reached the figure of Rs. 55,69,84,630 in 1932-33. Since then there has been a slight decline. This rise in debt charges is to be accounted for mainly by increased Provincial borrowing after 1923-24, when most of the Provinces began to experience difficulties in balancing their budgets and were in many cases overburdened with deficits. Thus, the total debt charges of the Provinces increased from Rs. 94,78,177 in 1923-24 to Rs. 8,75,63,220 in 1935-36.

Railway Revenue Account is another big item of expenditure, and the charges under this head have shown, on the whole, an upward tendency. It may, however, be noted that, since the Railway budget is kept separate from the General budget, the railway expenditure is determined primarily by reference to the financial needs of the railways and the total railway receipts, and not by reference to the general revenues.

Expenditure on account of irrigation (revenue account) increased from Rs. 4,20,42,231 in 1921-22 to Rs. 6,73,65,425 in 1935-36. This has been due mainly to an increase in the working costs.

The expenditure on General Administration increased from Rs. 10,33,23,595 in 1921-22 to Rs. 12,05,46,076 in 1935-36, while the expenditure on account of Administration of Justice, and Jails and Convict Settlement remained almost constant. Police charges too remained more or less constant with the exception of 1931 and 1932 when they were considerably higher than the normal level.

Education charges increased from Rs. 9,00,23,577 in 1921-22 to Rs. 12,26,03,820 in 1935-36. The expenditure on Public Health rose very slightly during this period; it increased from Rs. 1,57,87,210 in 1921-22 to Rs. 1,68,40,185. Similarly, Medical charges registered a very small increase, from Rs. 3,15,26,355 in 1921-22 to Rs. 3,85,78,338 in 1935-36. Expenditure on Agriculture and Industry amounted in 1921-22 to Rs. 1,97,94,116 and Rs. 65,15,938 respectively; this rose to Rs. 2,76,78,390 and Rs. 94,97,186 respectively in 1935-36.

GENERAL STATEMENT OF CENTRAL

(In

Heads of Expenditure	1921—22		
	Central	Provincial	Total
Direct Demands on the Revenue *	5,27,12,199	11,68,99,176	16,96,11,375
Salt and other Capital outlay charged to Revenues † ..	..	..	..
Railway Revenue Account	24,29,82,572	3,21,983	24,33,04,555
Railway Capital account charged to Revenue .. ..	..	36,62,732	36,62,732
Irrigation etc. Revenue Account	13,74,297	4,06,67,934	4,20,42,231
Irrigation etc. Capital account charged to Revenue ..	74,157	1,11,53,527	1,12,27,684
Posts and Telegraphs Revenue Account	56,81,015	..	56,81,015
Posts and Telegraphs Capital Account	1,09,19,482	..	1,09,19,482
Debt Services Interest on Ordinary Debt	29,99,90,299	97,06,365	30,96,96,664
Deduct Amount chargeable to Railways	15,63,48,048	2,79,884	15,66,27,932
" " Irrigation	12,18,481	2,59,71,670	2,71,90,151
" " Posts and Telegraphs	56,81,015	..	56,81,015
" " Salt Department .. .. .	..	..	..
" " Prov. Loan Funds .. .. .	..	..	..
" " Forest .. .. .	..	9,410	9,410
" " Industries .. .. .	..	..	..
Remainder chargeable to Ordinary Debt	11,09,00,946	92,87,201	12,01,88,147
Interest on other obligations	2,60,97,497	..	2,60,97,497
Reduction or avoidance of Debt	2,29,71,571	9,38,933	2,39,10,504
General Administration ‡	1,92,59,398	8,40,64,197	10,33,23,595
Audit	70,46,459	..	70,46,459
Administration of Justice	10,33,683	4,99,26,308	5,09,59,991
Jails and Convict Settlements	45,15,979	2,25,12,804	2,70,28,783
Police	87,55,486	11,96,47,727	12,84,03,213
Ports and Pilotage	24,00,275	27,70,883	51,71,158
Ecclesiastical	30,50,467	..	30,50,467
Political	2,25,61,969	..	2,25,61,969
Scientific Departments	1,11,86,217	7,35,999	1,19,22,216
Education	31,43,489	8,68,80,268	9,00,23,757
Medical	30,64,414	2,84,61,941	3,15,26,355
Public Health	16,40,464	1,41,46,746	1,57,87,210
Agriculture	20,73,615	1,77,20,501	1,97,94,116
Industries	1,27,936	63,88,002	65,15,938
Aviation	88,025	..	88,025
Miscellaneous Depts	41,32,171	20,30,362	61,62,533
Currency and Mint	1,07,48,311	..	1,07,48,311
Civil Works	1,54,20,200	10,40,67,134	11,94,87,334
Miscellaneous	5,58,91,383	6,93,41,198	12,52,32,581
Military Services	77,87,98,340	..	77,87,98,340
Extraordinary Items .. .. .	..	..	..
TOTAL EXPENDITURE CHARGED AGAINST REVENUE ..	1,42,86,52,017	79,16,25,556	2,22,02,77,573

* This head includes the expenditure incurred on the machinery for the collection of revenue from Customs, Taxes on Income, Salt, Opium, Land Revenue, Excise, Stamps, Forest, Registration and Scheduled Taxes.

† This head includes such items as capital expenditure on Salt Works, on Forests, Central Stamp Store, Security Printing Press etc.

‡ The expenditure under this head includes salaries of Heads of Provinces, of members of Executive Councils and Ministers, of members of Provincial Legislature, charges of the Secretariat, Boards of Revenue, Commissioners, District officers and their establishments.

AND PROVINCIAL EXPENDITURE

Rupees)

1922—23			1923—24*		
Central	Provincial	Total	Central	Provincial	Total
5,22,04,980	11,64,95,610	16,87,00,590	5,44,04,114	10,67,52,908	16,11,57,022
..
25,60,99,247	6,09,835	25,67,09,082	26,25,21,458	1,74,340	26,26,95,798
..	59,48,019	59,48,019	..	-1,09,43,823	-1,09,43,823
13,45,264	4,27,51,296	4,40,96,560	15,16,553	4,41,74,674	4,56,91,227
30,127	3,49,430	3,79,557	1,25,586	58,69,654	59,95,240
59,16,002	..	59,16,002	63,88,844	..	63,88,844
17,82,534	..	17,82,534	-38,50,902	..	-38,50,902
30,88,20,526	92,93,046	31,81,13,572	35,03,28,027*	94,78,177	35,98,06,204
16,34,47,349	5,18,434	16,39,65,783	17,56,90,137	83,915	17,57,74,052
12,18,882	2,72,61,343	2,84,80,225	11,92,750	2,00,61,840	2,12,54,590
59,16,002	..	59,16,002	63,88,844	..	63,88,844
..
..
..	36,877	36,877	..	72,326	72,326
..
10,80,37,601	1,16,77,084	11,97,14,685	12,95,09,198	1,72,07,194	14,67,16,392
3,06,95,628	12,38,938	3,19,34,566	3,01,68,301	..	3,01,68,301
16,15,89,540	1,29,16,017	17,45,05,557	1,36,67,472	13,67,266	1,50,34,738
2,04,17,122	8,55,35,139	10,59,52,261	1,55,85,987	9,22,22,067	10,78,08,054
75,13,150	..	75,13,150	74,58,846	..	74,58,846
11,10,746	5,15,12,857	5,26,23,603	13,57,412	5,25,54,975	5,39,12,387
40,80,518	2,37,59,268	2,78,39,786	36,51,636	2,09,86,827	2,46,38,463
89,47,395	11,73,76,971	12,63,24,366	84,05,356	1,18,48,896	12,02,54,252
22,51,368	37,76,581	60,27,949	22,78,448	33,76,927	56,55,375
29,72,275	..	29,72,275	29,72,343	..	29,72,343
3,03,68,679	..	3,03,68,679	2,97,59,657	..	2,97,59,657
90,77,755	6,04,855	96,82,610	84,71,200	4,19,377	88,90,577
30,77,631	8,87,50,071	9,18,27,702	30,60,877	9,56,77,137	9,87,38,014
32,36,977	2,86,68,928	3,19,05,905	28,09,515	2,87,32,746	3,15,42,261
16,02,755	98,83,052	1,14,85,807	11,46,631	1,04,12,716	1,15,59,347
20,84,708	1,71,39,346	1,92,24,054	23,70,841	1,69,05,175	1,92,76,016
34,608	64,27,023	64,61,631	59,282	58,16,042	58,75,324
47,712	17,327	65,039	20,825	..	20,825
26,08,641	27,90,827	53,99,468	40,33,452	37,44,148	77,77,600
1,03,09,731	..	1,03,09,731	99,07,398	..	99,07,398
1,34,81,040	8,71,47,691	10,06,28,731	1,70,31,590	8,60,97,163	10,31,28,753
5,20,56,088	6,98,78,379	12,19,34,467	4,46,49,882	6,75,32,251	11,21,82,133
71,00,58,955	..	71,00,58,955	61,04,31,760	..	61,04,31,760
..	..	..	3,40,96,207	..	3,40,96,207
1,36,43,05,548	77,23,38,522	2,13,66,44,070	1,30,39,64,769	76,09,28,660	2,06,48,93,429

* This amount includes Rs. 3,75,47,098 chargeable to Provincial Governments.

GENERAL STATEMENT OF CENTRAL

(In

Heads of Expenditure	1924—25		
	Central	Provincial	Total
Direct Demands on the Revenue	5,37,02,291	9,23,71,064	14,60,73,355
Salt and other Capital outlay charged to Revenues	17,31,744	3,29,341	20,61,085
Railway Revenue account	30,44,53,015	28,339	30,44,81,354
Railway Capital account charged to Revenue .. .. .	..	57,770	57,770
Irrigation etc. Revenue account	21,43,751	4,75,34,345	4,96,78,096
Irrigation etc. Capital account charged to Revenue	92,539	14,15,818	15,08,357
Post and Telegraphs Revenue account	68,60,034	..	68,60,034
Post and Telegraphs Capital account	-37,72,180	..	37,72,180
Debt Services : Interest on Ordinary Debt	37,56,02,751*	1,05,52,796	38,61,55,547
Deduct amount chargeable to Railways	21,22,98,576	85,841	21,23,84,417
" " Irrigation	11,98,270	3,22,75,205	3,34,73,475
" " Post and Telegraphs	68,60,034	..	68,60,034
" " Salt Department	3,01,437	..	3,01,437
" " Prov. Loan Funds .. .. .	..	..	..
" " Forest .. .. .	..	1,56,300	1,56,300
" " Industries .. .. .	..	6,839	6,839
Remainder chargeable to ordinary Debt	11,27,89,722	2,01,83,123	13,29,72,845
Interest on other obligations	3,61,93,695	..	3,61,93,695
Reduction or avoidance of Debt	3,78,39,440	42,32,241	4,20,71,681
General Administration	1,53,66,078	10,73,66,456	12,27,32,534
Audit	77,95,574	..	77,95,574
Administration of Justice	11,55,924	5,40,35,716	5,51,91,640
Jails and Convict Settlements	36,45,323	2,06,24,971	2,42,70,294
Police	93,49,903	11,21,09,767	12,14,59,670
Ports and Pilotage	24,81,489	39,24,816	64,06,305
Ecclesiastical	31,29,530	..	31,29,530
Political	3,16,23,843	..	3,16,23,843
Scientific Departments	76,09,676	4,08,175	80,17,851
Education	31,69,546	9,86,21,167	10,17,90,713
Medical	26,07,271	3,04,20,169	3,30,27,440
Public Health	17,34,285	1,41,11,577	1,58,45,862
Agriculture	30,43,022	1,74,20,668	2,04,63,690
Industries	61,29,159	58,19,001	1,19,48,160
Aviation	22,151	..	22,151
Miscellaneous	23,96,269	35,00,591	58,96,860
Currency and Mint	71,41,079	..	71,41,079
Civil Works	1,77,72,875	8,13,11,711	9,90,84,586
Miscellaneous	4,35,31,861	6,59,51,006	10,94,82,867
Military Services	59,66,51,877	..	59,66,51,877
Extraordinary Items	1,01,635	22,91,891	23,93,526
TOTAL EXPENDITURE CHARGED AGAINST REVENUE	1,31,84,92,421	78,40,69,723	2,10,25,62,144

* This amount includes Rs. 4,21,54,712 chargeable to Provincial Governments.

AND PROVINCIAL EXPENDITURE

Rupees)

1925—26			1926—27		
Central	Provincial	Total	Central	Provincial	Total
5,37,59,201	10,55,19,694	15,92,78,895	4,19,95,160	10,54,76,889	14,74,72,049
7,18,044	21,51,295	28,69,339	7,18,385	29,96,208	37,14,593
28,91,09,206	1,08,581	28,92,17,787	28,05,95,177	1,06,904	28,07,02,081
..	31,697	31,697	..	-5,24,725	-5,24,725
19,06,318	5,02,08,600	5,21,14,918	15,19,148	5,00,09,889	5,15,29,037
1,09,035	1,08,95,232	1,10,04,267	31,288	1,83,35,721	1,83,67,009
50,69,134	..	50,69,134	57,25,453	..	57,25,453
-1,52,58,865	..	-1,52,58,865	18,56,739	..	18,56,739
38,12,26,141	6,26,85,533	44,39,11,674*	37,31,39,743	6,46,50,364	43,77,90,107†
23,14,12,512	85,906	23,14,98,418	24,29,79,978	84,689	24,30,64,667
12,06,983	3,51,58,100	3,63,65,083	12,00,207	3,92,55,014	4,04,55,221
51,25,932	..	51,25,932	58,40,848	..	58,40,848
3,71,736	..	3,71,736	3,89,145	..	3,89,145
5,20,83,051	..	5,20,83,051	5,34,60,427	..	5,34,60,427
..	2,54,941	2,54,941	..	4,35,732	4,35,732
..	13,107	13,107	..	..	..
9,07,52,196	2,71,26,548	11,78,78,744	6,87,25,150	2,36,48,727	9,23,73,877
4,29,47,144	1,633	4,29,48,777	4,90,08,506	3,560	4,90,12,066
4,97,25,352	56,56,136	5,53,81,488	4,97,16,016	58,22,514	5,55,38,530
1,55,41,642	10,93,38,839	12,48,80,481	1,65,95,637	11,12,01,423	12,77,97,060
84,01,212	..	84,01,212	84,64,642	..	84,64,642
13,20,863	5,51,71,134	5,64,91,997	14,64,394	5,59,80,741	5,74,45,135
35,87,277	2,15,14,641	2,51,01,918	36,91,880	2,20,93,806	2,57,85,686
95,45,998	11,18,78,477	12,14,24,475	92,67,124	11,45,39,121	12,38,06,245
32,29,977	26,30,280	58,60,257	34,60,850	16,19,497	77,80,347
31,75,849	..	31,75,849	32,49,736	..	32,49,736
3,36,59,586	..	3,36,59,586	3,31,91,586	..	3,31,91,506
80,19,135	5,75,970	85,95,105	85,01,248	7,68,989	92,70,237
32,00,290	11,04,32,930	11,36,33,220	37,96,653	11,72,48,770	12,10,45,423
29,25,256	3,28,23,432	3,57,48,688	30,11,068	3,64,79,747	3,94,90,815
13,06,927	1,82,77,923	1,95,84,850	17,51,654	1,85,39,854	2,02,91,508
27,05,975	1,95,04,128	2,22,10,103	26,58,601	2,14,94,842	2,41,53,442
85,80,450	64,94,962	1,50,75,412	82,03,636	66,99,812	1,49,03,448
1,22,007	..	1,22,007	13,06,299	..	13,06,299
23,25,987	30,22,649	53,48,636	11,51,508	32,16,729	43,68,237
70,11,413	..	70,11,413	76,37,072	..	76,37,012
1,60,41,798	9,52,41,175	11,12,82,973	1,89,74,160	10,77,01,317	12,66,75,477
4,25,59,999	7,02,88,971	11,28,48,970	3,96,15,605	7,30,92,427	11,27,08,032
60,39,37,045	..	60,39,37,045	60,91,63,889	..	60,91,63,889
25,76,854	57,865	26,34,719	2,99,21,308	51,70,031	3,50,91,339
1,29,86,12,305	85,89,52,792	2,15,75,65,097	1,31,65,46,903	90,17,22,793	2,21,82,69,696

* This amount includes Rs. 2,73,731 chargeable to Vizagapatam Port and Rs. 46,931 chargeable to Hydro-electric Scheme.

† This amount includes Rs. 4,42,599 chargeable to Vizagapatam Port, Rs. 12,41,556 chargeable to Government Commercial Undertakings and Rs. 86,035 to Hydro-electric Scheme.

GENERAL STATEMENT OF CENTRAL

(In

Heads of Expenditure	1927—28		Total
	Central	Provincial	
Direct Demands on the Revenue	4,18,87,972	10,32,79,688	14,51,67,660
Salt and other Capital outlay charged to Revenues	12,58,480	29,83,745	42,42,225
Railway Revenue account	32,39,65,397	69,984	32,40,35,381
Railway Capital account charged to Revenue .. .. .	..	—3,373	—3,373
Irrigation etc. Revenue account	15,75,951	5,29,54,375	5,45,30,326
Irrigation etc. Capital account charged to Revenue	1,63,008	1,54,86,401	1,56,49,409
Post and Telegraphs Revenue account	60,45,689	..	60,45,689
Post and Telegraphs Capital account	18,27,687	..	18,27,687
Debt Services : Interest on Ordinary Debt.	37,46,16,947	6,58,88,001	44,04,04,948*
Deduct amount chargeable to Railways	25,75,21,763	55,219	25,55,76,982
" " Irrigation	12,02,411	4,21,81,645	4,33,84,056
" " Post and Telegraphs	62,12,262	..	62,12,262
" " Salt Department	4,02,688	..	4,02,688
" " Prov. Loan Fund	5,46,08,423	..	5,46,08,423
" " Forest	6,931	5,20,366	5,27,297
" " Industries .. .. .	..	..	..
Remainder chargeable to Ordinary Debt	5,36,96,808	1,97,73,105	7,34,69,913
Interest on other obligations	5,19,73,749	2,034	5,19,75,783
Reduction or avoidance of Debt	5,04,43,000	90,91,040	5,95,34,040
General Administration	1,72,17,998	11,17,70,093	12,89,88,091
Audit	88,68,824	..	88,68,824
Administration of Justice	13,90,211	5,68,06,953	5,81,97,164
Jails and Convict Settlements	34,96,100	2,32,57,545	2,67,53,645
Police	68,99,654	11,55,00,135	12,23,99,789
Ports and Pilotage	33,04,001	20,95,148	53,99,149
Ecclesiastical	32,29,460	..	32,29,460
Political	1,57,74,479	..	1,57,74,479
Scientific Departments	90,92,735	7,93,705	98,86,440
Education	48,65,506	12,19,28,862	12,67,94,368
Medical	29,96,521	3,60,03,077	3,89,99,598
Public Health	16,69,862	1,74,39,880	1,91,09,742
Agriculture	28,97,359	2,31,85,909	2,60,83,268
Industries	15,07,914	73,22,110	88,30,024
Aviation	10,16,656	..	10,16,656
Miscellaneous	11,86,170	37,40,367	48,36,537
Currency and Mint	87,66,714	..	87,66,714
Civil Works	1,58,47,693	12,28,23,833	13,86,71,526
Miscellaneous	3,70,46,222	6,28,89,577	9,99,35,799
Military Services	56,33,94,893	..	56,33,94,893
Extraordinary Items	18,22,484	26,63,432	44,85,916
TOTAL EXPENDITURE CHARGED AGAINST REVENUE	1,27,22,77,920	91,50,42,926	2,18,73,20,846

* This amount includes Rs. 578,330 chargeable to Vizagapatam Port, Rs. 13,33,949 chargeable to other Government Commercial Undertakings, Rs. 281,048 chargeable to Hydro-electric Scheme and Rs. 21,30,000 chargeable to Bombay Development.

AND PROVINCIAL EXPENDITURE

(Rupees)

1928—29			1929—30		
Central	Provincial	Total	Central	Provincial	Total
4,02,12,795	10,27,43,278	14,29,56,073	4,08,49,232	10,37,62,074	14,46,11,306
3,62,465	33,97,112	37,59,577	5,13,198	27,21,337	32,34,535
32,25,56,493	70,870	32,26,27,363	31,04,56,685	72,097	31,05,28,782
..	—34	—34	..	..	..
19,73,492	5,45,19,468	5,64,92,960	28,40,899	5,79,71,269	6,08,12,168
2,51,338	59,50,209	62,01,547	1,57,036	14,97,050	16,54,086
68,02,581	..	68,02,581	71,29,967	..	71,29,967
13,61,235	..	13,61,235	11,38,355	..	11,38,355
38,69,75,677	6,99,56,962	45,69,32,639*	40,33,44,785	7,29,99,389	47,63,44,174†
27,82,58,699	55,218	27,83,13,917	29,09,26,164	55,989	29,09,82,153
12,21,077	4,53,24,244	4,65,45,321	12,31,726	4,91,61,518	5,03,93,244
69,61,542	..	69,61,542	72,90,445	..	72,90,445
4,97,169	..	4,97,169	4,38,371	..	4,38,371
5,87,78,074	..	5,87,78,074	6,19,72,177	..	6,19,72,177
16,762	6,46,877	6,63,639	53,501	8,58,248	9,11,749
..
4,02,84,032	1,95,27,327	5,98,11,359	4,01,47,181	1,81,12,054	4,82,59,235
6,17,42,840	35,900	6,17,78,740	6,83,47,246	3,07,831	6,86,55,077
5,42,17,000	96,54,559	6,38,71,559	5,73,73,000	95,66,433	6,69,39,433
1,87,43,110	11,50,13,114	13,37,56,224	2,24,79,302	11,68,63,037	13,93,42,339
96,40,460	..	96,40,460	1,01,63,909	..	1,01,63,909
14,95,612	5,72,01,278	5,86,96,890	15,26,391	5,78,26,177	5,93,52,568
35,13,803	2,38,98,095	2,74,11,898	41,64,147	2,43,67,227	2,85,31,374
73,62,911	11,95,68,187	12,69,31,098	76,24,276	12,31,58,382	13,07,82,658
28,73,341	21,62,292	50,35,633	25,37,539	16,03,578	41,41,117
32,31,916	..	32,31,916	31,62,811	..	31,62,811
1,58,28,003	..	1,58,28,003	1,61,91,163	..	1,61,91,163
92,94,232	6,32,806	99,27,038	93,58,632	6,31,704	99,90,336
45,36,940	12,79,98,507	13,25,35,447	52,46,829	13,06,29,562	13,58,76,391
30,74,467	3,98,04,357	4,28,78,824	32,32,518	4,06,31,842	4,38,64,360
19,00,518	1,91,48,741	2,10,49,259	21,00,751	2,02,30,339	2,23,31,090
29,75,522	2,50,29,062	2,80,04,584	46,05,874	2,61,80,099	3,07,85,973
7,13,324	78,07,016	85,20,340	2,81,772	90,54,577	93,36,349
5,37,315	..	5,37,315	19,91,712	..	19,91,712
12,79,547	38,60,244	51,39,791	15,45,038	41,20,622	56,65,660
71,61,822	..	71,61,822	74,20,494	..	74,20,494
1,59,28,196	12,41,07,678	14,00,35,874	2,58,27,070	11,48,39,627	14,06,66,697
4,02,32,543	6,15,01,545	10,17,34,088	4,41,45,339	6,84,50,620	11,25,95,959
58,49,37,451	..	58,49,37,451	59,08,08,743	..	59,08,08,743
1,20,510	1,51,945	2,72,455	6,062	27,948	34,010
1,29,28,56,418	92,91,38,047	2,22,19,94,465	1,32,41,71,504	93,80,27,164	2,26,21,98,668

* This amount includes Rs. 7,29,305 chargeable to Vizagapatam Port, Rs. 17,35,579 chargeable to other Commercial Undertakings, Rs. 24,54,750 chargeable to Bombay Development Scheme, and Rs. 4,42,184 chargeable to Hydro-electric Scheme.

† This amount includes Rs. 9,79,205 chargeable to Vizagapatam Port, Rs. 7,08,388 chargeable to Hydro-electric Scheme, Rs. 23,64,823 chargeable to Bombay Development Scheme and Rs. 20,44,384 chargeable to other Commercial Undertakings.

GENERAL STATEMENT OF CENTRAL

(In

Heads of Expenditure	1930—31		
	Central	Provincial	Total
Direct Demands on the Revenue	4,33,10,309	10,11,22,066	14,44,32,375
Salt and other Capital outlay charged to Revenues	4,02,049	19,56,470	23,58,519
Railway Revenue account	33,40,13,753	73,149	33,40,86,902
Railway Capital account charged to Revenue .. .. .	..	..	..
Irrigation etc. Revenue account	32,83,428	5,83,37,220	6,16,20,648
Irrigation etc. Capital account charged to Revenue	2,73,262	16,74,159	19,47,421
Post and Telegraphs Revenue account	82,21,764	..	82,21,764
Post and Telegraphs Capital account	12,84,060	..	12,84,060
Debt Services : Interest on Ordinary Debt.	41,66,79,995	7,60,27,721	49,27,07,716*
Deduct amount chargeable to Railways	31,34,05,314	57,606	31,34,62,920
" " Irrigation	12,66,047	5,30,77,376	5,43,43,423
" " Post and Telegraph	83,67,558	..	83,67,558
" " Salt Department	4,19,393	..	4,19,393
" " Prov. Loan Funds	6,54,87,245	..	6,54,87,245
" " Forest	80,379	10,60,544	11,40,923
" " Industries .. .. .	..	..	..
Remainder chargeable to Ordinary Debt	2,60,17,334	1,55,39,296	4,15,56,630
Interest on other obligations	8,67,41,062	4,60,179	8,72,01,241
Reduction or avoidance of Debt	6,14,55,000	1,14,94,514	7,29,49,514
General Administration	2,12,71,965	11,99,82,457	14,12,54,422
Audit	1,03,18,712	..	1,03,18,712
Administration of Justice	15,28,339	5,79,47,312	5,94,75,651
Jails and Convict Settlements	47,46,716	2,59,75,793	3,07,22,509
Police	92,54,351	12,64,07,076	13,56,61,427
Ports and Pilotage	26,29,626	13,61,395	39,91,021
Ecclesiastical	32,15,358	..	32,15,358
Political	1,96,05,614	..	1,96,05,614
Scientific Departments	93,18,077	5,94,261	99,12,338
Education	62,39,427	13,17,03,992	13,79,43,419
Medical	32,04,102	4,04,26,882	4,36,30,984
Public Health	19,16,387	1,83,63,480	2,02,79,867
Agriculture	48,21,548	2,59,53,411	3,07,74,959
Industries	2,85,925	81,47,394	84,33,319
Aviation	22,40,156	..	22,40,156
Miscellaneous	28,78,171	46,11,828	74,89,999
Currency and Mint	96,96,003	..	96,96,003
Civil Works	2,62,62,387	11,75,60,282	14,38,22,669
Miscellaneous	4,23,76,755	7,05,10,760	11,28,87,515
Military Services	58,28,89,885	..	58,28,89,885
Extraordinary Items	15,62,196	90	15,62,286
TOTAL EXPENDITURE CHARGED AGAINST REVENUE	1,36,18,00,695	94,24,88,012	2,30,42,88,707

* This amount includes Rs. 10,29,855 chargeable to Vizagapatam Port, Rs. 12,16,401 chargeable to Hydro-electric Scheme, Rs. 35,70,523 chargeable to Bombay Development Scheme and Rs. 21,12,845 chargeable to other Commercial Undertakings.

AND PROVINCIAL EXPENDITURE

Rupees)

1931—32			1932—33		
Central	Provincial	Total	Central	Provincial	Total
4,17,59,125	8,56,01,297	12,73,60,422	4,23,68,016	8,73,65,164	12,97,33,180
66,241	—9,94,635	—9,28,394	2,37,450	13,14,682	15,52,132
33,61,55,768	58,801	33,62,14,569	33,37,17,406	56,553	33,93,73,959
..
19,34,357	5,90,66,327	6,10,00,684	5,00,222	6,17,22,605	6,22,22,827
2,17,215	—23,62,291	—21,45,076	40,218	2,93,779	3,33,997
77,50,711	..	77,50,711	81,08,372	..	81,08,372
—52,13,509	..	—52,13,509	4,56,347	..	4,56,347
44,56,87,065	8,35,29,863	52,92,16,928*	43,56,34,419	9,16,50,211	52,72,84,630†
31,75,54,216	57,952	31,76,12,168	31,56,98,796	56,488	31,57,55,284
12,79,107	5,71,88,035	5,84,67,142	2,57,142	6,11,30,151	6,13,87,293
78,91,239	..	78,91,239	82,56,479	..	82,56,479
4,18,362	..	4,18,362	4,21,407	..	4,21,407
7,25,24,990	..	7,25,24,990	8,01,33,807	..	8,01,33,807
91,305	12,35,471	13,26,776	70,460	13,18,203	13,88,663
..
4,39,90,580	2,20,91,118	6,60,81,698	2,87,95,671	2,55,74,331	5,43,70,002
8,43,10,784	5,69,087	8,48,79,871	8,73,42,695	6,24,100	8,79,66,795
6,89,38,000	1,04,40,764	7,93,78,764	6,84,24,000	1,21,60,623	8,05,84,623
1,98,06,414	11,67,86,544	13,65,92,958	1,53,34,673	11,08,03,292	12,61,37,965
1,01,21,166	..	1,01,21,166	93,46,575	..	93,46,575
16,22,321	5,51,92,751	5,68,15,072	8,78,160	5,12,82,233	5,21,60,393
38,72,931	2,10,33,829	2,49,06,760	25,32,800	2,25,57,184	2,50,89,984
88,04,050	12,56,07,847	13,44,11,897	55,35,241	12,33,69,659	12,89,04,900
26,27,660	3,42,090	29,69,750	22,23,295	16,52,941	38,76,236
30,27,243	..	30,27,343	28,72,427	..	28,72,427
1,64,39,687	..	1,64,39,687	1,45,08,711	..	1,45,08,711
85,77,264	5,29,235	91,06,499	66,53,413	4,71,094	71,24,507
62,15,921	12,20,46,970	12,82,62,891	35,16,272	11,47,14,329	11,82,30,601
29,91,206	3,78,00,711	40,79,91,917	22,07,526	3,53,99,524	3,76,07,050
17,18,066	1,56,74,735	1,73,92,801	13,21,279	1,45,54,358	1,58,75,637
34,64,967	2,34,56,433	2,69,21,400	30,25,960	2,12,44,700	2,42,70,660
2,20,276	69,68,323	71,88,599	1,95,390	65,41,757	67,37,147
20,37,513	..	20,37,513	9,73,549	..	9,73,549
43,84,832	67,41,728	1,11,26,562	20,21,187	70,95,340	91,16,527
75,09,373	..	76,09,373	65,67,161	..	65,67,161
2,20,77,703	8,50,92,433	10,71,70,136	1,77,16,265	7,69,72,814	9,46,89,079
4,31,08,179	7,28,51,448	11,59,59,627	4,12,24,394	7,83,08,888	11,95,33,282
55,88,74,220	..	55,88,74,220	50,37,49,997	..	50,37,49,997
2,98,111	5,330	3,03,441	15,95,345	4,06,352	20,01,697
1,33,39,38,991	86,70,58,342	2,20,09,97,333	1,23,88,50,603	85,66,75,554	2,09,55,26,157

* This amount includes Rs 14,52,670 chargeable to Vizagapatam Port, Rs. 20,97,812 chargeable to Hydro-electric Scheme, and Rs. 13,44,071 chargeable to other Government Commercial Undertakings.

† This amount includes Rs. 15,40,545 chargeable to Vizagapatam Port, Rs. 29,26,629 chargeable to Hydro-electric Scheme and Rs. 11,04,521 chargeable to other Government Commercial Undertakings.

GENERAL STATEMENT OF CENTRAL

(In

Heads of Expenditure	1933-34		
	Central	Provincial	Total
Direct Demands on the Revenue	4,21,56,206	9,18,68,596	13,40,24,802
Salt and other Capital outlay charged to Revenue ..	88,887	7,58,784	8,47,671
Railway Revenue account	33,03,87,208	54,312	33,04,41,520
Railway Capital account charged to Revenue .. ..	..	..	..
Irrigation etc. Revenue account	3,82,919	6,51,04,055	6,54,86,974
Irrigation etc. Capital account charged to Revenue ..	22,504	-8,17,975	-7,95,471
Post and Telegraphs Revenue account	84,38,093	..	84,38,093
Post and Telegraphs Capital account	4,73,475	..	4,73,475
Debt Services : Interest on Ordinary Debt	40,16,71,878	9,06,15,289	49,22,87,167*
Deduct-amount chargeable to Railways	31,29,44,634	53,781	31,29,98,415
" " Irrigation	2,57,436	6,18,49,109	6,21,06,545
" " Post and Telegraph ..	85,64,218	..	85,64,218
" " Salt Department ..	4,19,796	..	4,19,796
" " Prov. Loan Funds ..	8,07,54,955	..	8,07,54,955
" " Forest	71,690	14,31,138	15,02,828
" " Industries .. .. .	..	..	..
Remainder chargeable to Ordinary Debt	-34,67,906	2,36,24,593	2,01,56,687
Interest on other obligations	9,63,24,830	4,73,367	9,67,98,197
Reduction or avoidance of Debt	3,00,00,000	1,36,54,492	4,36,54,492
General Administration	1,53,65,478	10,42,70,936	11,96,36,414
Audit	97,95,307	..	97,95,307
Administration of Justice	8,17,947	5,28,32,674	5,36,50,621
Jails and Convict Settlements	24,34,823	2,16,85,083	2,41,19,906
Police	54,33,423	12,36,47,281	12,90,80,704
Ports and Pilotage	22,85,219	11,42,817	34,28,036
Ecclesiastical	29,31,926	..	29,31,926
Political	1,35,44,017	..	1,35,44,017
Scientific Departments	66,29,184	4,45,313	70,74,497
Education	29,98,284	11,74,63,390	12,04,61,674
Medical	23,32,695	3,62,58,884	3,85,91,579
Public Health	12,47,702	1,49,70,871	1,62,18,173
Agriculture	28,39,103	2,18,87,716	2,47,26,819
Industries	1,93,340	68,05,382	69,98,722
Aviation	13,25,825	12,000	13,37,825
Miscellaneous	17,18,504	67,47,604	84,66,108
Currency and Mint	59,30,917	..	59,30,917
Civil Works	1,98,23,459	75,80,95,58	9,56,33,017
Miscellaneous	4,23,07,942	7,85,13,871	12,08,21,813
Military Services	49,75,08,929	..	49,75,08,929
Extraordinary Items	2,81,72,772	4,48,592	2,86,21,364
TOTAL EXPENDITURE CHARGED AGAINST REVENUE ..	1,19,37,30,886	85,89,84,653	2,05,27,15,539

* These figures include the amounts chargeable to Vizagapatam Port Bombay Development Scheme, Hydro-electric Scheme and other Government Commercial Undertakings, not shown in this table.

AND PROVINCIAL EXPENDITURE

Rupees)

1934-35			1935-36		
Central	Provincial	Total	Central	Provincial	Total
4,04,50,231	8,27,89,781	12,32,40,012	4,21,53,297	8,52,67,515	12,74,20,812
1,66,907	19,58,476	21,25,383	64,647	7,53,802	8,18,449
32,36,84,197	51,279	32,37,35,476	31,97,89,698	50,527	31,98,40,225
..
5,95,622	6,55,21,095	6,61,16,717	5,03,465	6,68,61,960	6,73,65,425
3,533	—58,111	—54,578	3,489	4,95,637	4,99,126
84,05,035	..	84,05,035	79,38,281	..	79,38,281
2,98,566	..	2,98,566	67,024	..	67,024
39,24,52,485	8,78,43,341	48,02,95,826*	38,04,31,769	8,75,63,220	46,79,94,989*
30,57,11,608	51,279	31,08,62,887	30,17,50,292	50,507	30,18,00,799
2,55,093	6,10,98,594	6,13,53,687	2,53,282	5,99,76,841	6,02,30,123
85,29,989	..	85,29,989	80,61,363	..	80,61,363
4,11,297	..	4,11,297	4,11,311	..	4,11,311
7,91,15,078	..	7,91,15,078	7,92,51,785	..	7,92,51,785
71,953	13,95,304	14,66,257	72,011	13,73,976	14,45,987
..
—19,30,432	2,15,88,812	1,96,58,380	—95,94,597	2,22,04,409	1,26,09,812
10,44,41,130	3,47,635	10,47,88,765	11,45,79,371	3,07,282	11,48,86,653
3,00,00,000	96,07,030	3,96,07,030	3,00,00,000	1,32,71,728	4,32,71,728
1,61,52,994	9,97,70,744	11,59,23,738	1,69,61,708	10,35,84,368	12,05,46,076
1,00,97,354	..	1,00,97,354	1,08,04,411	..	1,08,04,411
7,34,359	5,07,11,096	5,14,45,455	7,61,254	5,24,35,468	5,31,96,722
22,25,274	2,13,66,694	2,35,91,968	22,96,352	2,24,11,140	2,47,07,492
52,52,997	11,92,32,022	12,44,85,019	52,95,618	12,08,53,590	12,61,49,208
22,72,160	10,09,420	32,81,580	23,59,811	8,37,330	31,97,141
28,72,708	..	28,72,708	29,50,811	..	29,50,811
1,64,89,632	..	1,64,89,632	1,56,17,455	..	1,56,17,455
70,04,703	3,26,838	70,37,541	69,25,982	3,17,118	72,43,100
29,59,443	11,72,08,060	12,01,67,503	29,72,245	11,96,31,575	12,26,03,820
24,20,240	3,54,95,569	3,79,15,809	24,49,670	3,61,28,668	3,85,78,338
15,85,749	1,45,23,522	1,61,09,271	16,10,265	1,52,29,920	1,68,40,185
32,92,657	2,18,60,393	2,51,53,050	43,86,445	2,32,91,945	2,76,78,390
3,80,778	74,58,807	78,39,585	7,33,854	87,63,332	94,97,186
1,06,92,220	..	1,06,92,220	17,09,337	3,356	17,12,793
37,59,701	68,63,192	1,06,22,893	19,50,866	75,28,999	93,79,865
73,54,615	..	73,54,615	42,15,715	..	42,15,715
2,42,33,246	7,44,66,153	9,86,99,399	2,25,21,773	8,00,81,361	10,26,03,134
4,37,28,536	6,81,69,440	11,18,97,976	4,47,95,733	7,24,86,098	11,72,81,831
49,16,27,980	..	49,16,27,980	50,18,53,253	..	50,18,53,253
2,84,89,559	5,26,204	2,90,15,763	2,72,54,655	99,196	2,73,53,851
1,21,76,40,472	85,37,31,575	2,07,13,72,047	1,21,07,26,527	88,69,43,790	2,09,76,70,317

* These figures include the amounts chargeable to Vizagapatam Port Bombay Development Scheme, Hydro-electric Scheme and other Government Commercial Undertakings, not shown in this table.

PERCENTAGE DISTRIBUTION OF CENTRAL AND PROVINCIAL EXPENDITURE

Heads of Expenditure	1921—22	1922—23	1923—24	1924—25	1925—26	1926—27	1927—28	1928—29	1929—30	1930—31	1931—32	1932—33	1933—34	1934—35	1935—36
Direct Demands on the Revenue ..	7.6	7.8	7.3	6.9	7.3	6.6	6.6	6.4	6.3	6.3	5.7	6.7	..	5.9	6.7
Salt and other Capital outlay charged to Revenue .. ..	..	..	..	.09	.09	.1	.1	.1	.1	.1	-.04	.07	..	.1	.03
Railway Revenue Account	10.9	12.0	12.7	14.4	13.4	12.6	14.8	14.0	13.7	14.4	15.2	16.1	..	15.6	15.2
Railway Capital account charged to Revenue .. ..	.1	.2	.5	.002	.001	.02	..	..	..	..	..	..	..	..	..
Irrigation etc. Revenue account ..	1.8	2.1	2.2	2.3	2.4	2.3	2.4	2.5	2.6	2.6	1.8	2.9	..	3.2	3.2
Irrigation etc. Capital account charged to Revenue .. ..	.5	.01	.2	.07	.5	.8	.7	.2	.07	.08	-.09	.01	..	-.002	.02
Post and Telegraphs Revenue account ..	.2	.2	.3	.3	.2	.2	.2	.3	.3	.3	.3	.4	..	.4	.3
Post and Telegraphs Capital account ..	.4	.08	.1	.1	.7	.08	.08	.06	.06	.05	-.2	.02	..	.01	.003
Debt Services : Interest on Ordinary Debt	13.9	18.7	17.4	18.3	25.8	19.7	20.1	20.5	21.5	21.3	24.0	25.1	..	23.1	22.5
Interest on other obligations	1.1	1.4	1.8	1.1	1.9	2.2	2.3	2.7	3.0	3.7	3.8	4.3	..	5.5	5.5
Reduction or avoidance of Debt	1.1	8.1	.7	.009	2.5	2.5	2.7	2.8	2.9	3.1	3.6	4.0	..	1.9	2.8
General Administration	4.6	4.9	5.2	5.8	5.7	5.7	5.8	6.0	6.1	6.9	6.0	6.0	..	5.5	5.7
Audit .. ..	.3	.3	.3	.3	.3	.3	.4	.4	.5	.4	.4	.4	..	.4	.5
Administration of Justice	2.2	2.4	2.6	2.6	2.6	2.5	2.6	2.6	2.6	2.5	2.5	2.4	..	2.4	2.5
Jails and Convict Settlements	1.0	1.3	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.3	1.1	1.1	..	1.1	1.1
Police	5.7	5.9	5.8	5.7	5.6	5.5	5.5	5.7	5.7	5.8	6.1	6.1	..	6.0	6.0
Ports and Pilotage .. ..	.2	.2	.2	.3	.2	.3	.2	.2	.1	.1	.1	.1	..	.01	.01
Ecclesiastical .. ..	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	..	.01	.1
Political	1.0	1.4	1.4	1.5	1.5	1.4	.7	.7	.7	.8	.7	.7	..	.7	.7
Scientific Departments .. ..	.5	.004	.4	.3	.3	.4	.4	.4	.4	.4	.4	.3	..	.3	.3
Education	4.0	4.2	4.7	4.8	5.2	5.4	5.7	5.9	6.1	5.9	5.8	5.6	..	5.7	5.8
Medical	1.4	1.8	1.5	1.5	1.6	1.5	1.7	1.9	1.9	1.8	1.8	1.7	..	1.8	1.8
Public Health .. ..	.7	.5	.5	.7	.9	.9	.8	.9	.9	.8	.8	.7	..	.7	.8
Agriculture .. ..	.8	.8	.9	.9	1.02	1.1	1.1	1.2	1.3	1.3	1.2	1.1	..	1.2	1.3
Industries .. ..	.2	.3	.2	.5	.6	.6	.4	.3	.2	.3	.3	.3	..	.3	.4
Aviation .. ..	.003	.003	.001	.001	.005	.05	.04	.02	.08	.09	.09	.04	..	.5	.08
Miscellaneous Departments .. ..	.2	.2	.3	.2	.2	.1	.2	.2	.2	.3	.5	.4	..	.5	.4
Currency and Mint .. ..	.4	.4	.4	.3	.3	.3	.4	.3	.3	.4	.3	.3	..	1.3	.2
Civil Works	5.3	4.7	4.9	4.7	5.1	5.1	6.3	6.3	6.2	6.2	4.8	4.7	..	4.7	4.8
Miscellaneous	5.8	5.6	5.4	5.2	5.2	5.0	4.5	4.5	4.9	4.8	5.2	5.7	..	5.3	5.5
Military Services	33.0	32.2	29.3	28.4	27.9	27.4	25.7	26.3	26.1	25.2	25.3	24.1	..	25.7	23.9
Extraordinary Items .. ..	..	..	..	.1	.1	1.6	.2	.01	.001	.06	.01	.09	..	1.4	1.3

The following is a brief account of the major items of expenditure in the Indian financial scheme.

Military Expenditure

Expenditure on the Army and other Defence Services is the biggest single item in the Indian budget absorbing nearly 25 per cent of the total public receipts. This enormous unproductive expenditure constitutes the heaviest drain on the revenues of the country. Its real significance can, however, be gauged from the fact that the Indian Army, apart from being the ultimate force on which British rule in India rests, is the main factor in the strength of British Empire in the East. It is in fact an army of occupation in India and of British imperial aggrandisement outside. As such it is kept permanently on a war footing.

The Simla Army Commission of 1879 laid down that "The purpose for which the Army of India must be maintained may be stated to be (a) preventing or repelling attacks or threatened aggression from enemies beyond our border, (b) making successful armed disturbance or rebellion, whether in British India or Feudatory States impossible." But with the expansion of British Empire, the Indian Army assumed a new importance and in 1904-05 Sir E. Elles frankly stated, "It is I think undoubted that the Indian Army in the future must be a main factor in the maintenance of the balance of power in Asia, it is impossible to regard it any longer as a local militia for purely local defence and the maintenance of order." Between 1838 and 1920, the Indian Army was engaged outside India for imperial purposes on 19 occasions and a very large part of the expenditure on the wars, thus incurred, was charged to Indian revenues.

The following figures show the increase in military expenditure since 1860. It must be noted that this increase has been necessitated mainly by the growth of British imperial interests in the East and the need for providing special protection to these interests in view of the intensification of inter-imperialist rivalries in the world.

Year							Total Military Expenditure in thousands of rupees
1860-61	..	..	..	..	..	..	15,83,89
1870-71	..	..	..	..	..	..	16,07,48
1880-81	..	..	..	..	..	..	28,93,54
1890-91 ..	..	..	..	..	..	..	20,69,00
1900-01 ..	..	..	..	..	..	..	22,62,42
1910-11 ..	..	..	..	..	..	..	28,69,76
1920-21 ..	..	..	..	..	..	..	87,75,00
1930-31 ..	..	..	..	..	..	..	58,28,89
1935-36 ..	..	..	..	..	..	..	50,18,53

The strength of the Effective Military Services in India was as follows in 1936 :—

Rank	Number
Officers with King's Commission	6,650
Indian Commissioned Officers	141
British Other Ranks	57,105
Indian Officers with Viceroy's Commissions	4,421
Indian other Ranks	1,42,221
Clerks and other Civilians	9,985
Followers	35,641
Indian Reservists	41,743
Total	2,75,907

A permanently over inflated Army Budget in India is caused by the maintenance of a standing army which is far in excess of the defence needs of the country, and by the high rates of payment to European troops. Imperial exigencies have caused not only a steady increase in the total number of soldiers employed but also an increase in the proportion of European to Indian troops which was 1 to 5 in 1857 and is about 1 to 2 today. Besides, the maintenance of the army on a war basis causes the standard of equipment to be permanently much higher than what it would if the army were meant for purely local defence. In fact, India's military expenditure in relation to her total expenditure was the highest in the world until a few years ago, and is even today one of the highest. In 1935-36, India devoted about 24 per cent of her total expenditure to Military and other Defence Services, as against 15 per cent devoted by the United Kingdom, 16 per cent by France, 17 per cent (1934-35) by Germany, and 21 per cent by Italy.

Military expenditure in India has been kept throughout independent of the control of the Indian Legislature; the military budget is non-votable and the Governor General is personally responsible to the British Parliament for the military administration of the country. This is a clear and almost brazen expression of the determination of British Imperialism to continue its armed occupation of India and to preserve her "as a barrack in the Eastern Seas" for protecting British financial and trading interests in the East.

Public Debt

The Public Debt of India, which at present amounts to about Rs. 1208 crores, inflicts a very serious strain on Indian finances. It is a well known fact that the greater part of this enormous debt is the result of reckless borrowings by the Government of India for keeping intact the steel frame of imperialist rule in the country. As such, the huge amount charged to revenues annually as interest on public debt constitutes one of the most sterile and burdensome items of expenditure. We note below how this debt has gradually accumulated to its present magnitude during the last 150 years of British rule.

In the early days of the East India Company's rule, the commercial and territorial sides of the Company's finances were not kept separate. The surplus revenues of the territories were often appropriated by the commercial side. It is, therefore, difficult to say precisely how much of the Company's debt was on account of commercial transactions and how much on account of administrative needs. None the less, it is certain that the bulk of the debt was caused by expenditure on internal territorial conquests and external wars in the East. Of the latter the following were the most important :—

- (a) Military Expeditions in the time of Lord Wellesly to Ceylon, Moluccas, Singapore, Isle of France, the Cape Colony and Egypt.
 (b) Military Expedition to Java during the time of Lord Minto.
 (c) War with Nepal.
 (d) Burmese wars (1824-26 and 1852-53)
 (e) Afghan War.
 (f) Wars with Persia and China.

These wars and expeditions threw on the Indian Exchequer a burden of about £35 million, which was met largely from the money borrowed by the Government of India from abroad.

Internally, the Revolt of 1857 was responsible for a very substantial increase in the public debt; it added another £40 million to the debt.

When the Indian territories were transferred to the Crown in 1858, the Company's capital stock was redeemed at a total cost of £37,200,000. This was all made payable by the Government of India and was therefore added to the public debt.

Thus the total public debt left by the Company's Government amounted to £112,200,000, which was composed as follows :—

External wars and expeditions	..	..	..	..	..	£35,000,000
On account of Company's capital & dividend	..	..	..	..	..	£37,200,000
Cost of Revolt of 1857	..	..	..	..	..	£40,000,000
						£112,200,000
			Total	..	..	£112,200,000

After 1858 the debt continued to increase rapidly from year to year and reached the figure of Rs. 129,860,000,000 by March 1937. About 30 per cent of this debt is today held outside India.

The debt is at present divided into two categories, namely, Productive and Unproductive. Productive debt is that which is completely or partially covered by revenue yielding assets, while the unproductive debt does not yield any income, and its interest is met entirely from other revenues. The former includes loans taken for expenditure on Railways, Irrigation, Government Commercial Undertakings, Development Schemes etc. The latter covers Government borrowings necessitated by expenditure on wars, civil administration, famines, and other incidental losses to the exchequer. We note below the major items which have contributed to the growth of these two categories of debt.

UNPRODUCTIVE DEBT.

Expenditure on wars fought by Great Britain in the East, between 1858 and 1914, threw a burden of about Rs. 90 crores on the Indian Exchequer, and nearly the whole of this amount was added to the public debt. The important external wars and military expeditions of this period were, Bhutan War (1863), Abyssinian Expedition (1867), Perak Expedition (1875), Afghan War (1879-81), Egypt Expedition (1882), Minor Frontier Wars (1882-92) and Burma War (1886).

The Great War of 1914 cost India approximately Rs. 364 crores. This amount swelled the public debt very considerably and was composed as follows :—

	Crores
1. Increased military and political charges on account of and in connection with the war, borne by India as ordinary Budget, counting only the excess over normal.	150
2. Special war contribution at the rate of £-/1/4 to the rupee.	189
3. Increase in Civil Expenditure due to war.	25
Total	364

Apart from expenditure on wars, a considerable part of the public debt has been caused by financial mismanagement and ordinary budget deficits. Between 1858-59 and 1929-30, the budget deficits aggregated Rs. 130 crores (excluding the Provincial deficits since 1920); the aggregate surplus in this period was Rs. 88 crores, leaving a net deficit of Rs. 42 crores.

The mismanagement of Indian exchange is another factor which has contributed to the public debt. The losses on this account include not only the actual monetary drain caused by high exchange, but also the damage done to the general productive capacity and foreign trade of the country. It has been estimated that by 1930 the net loss to Indian revenues on account of fluctuating exchange rates had amounted to no less than Rs. 125 crores.

The famines of the 19th century contributed a good deal to the public debt. Prior to 1880 there was no systematic provision for famine relief and the Government had to borrow heavily for this purpose from time to time. The famines of the decade 1870-80 cost the Government about £14,500,000, and the famine of 1896-97 cost Rs. 17.08 crores. After 1880, although some provision was made for famine relief through additional taxation, the Government often used the amount earmarked for famines, for non-famine purposes. This again necessitated borrowing during famine years. The aggregate loss to Indian Exchequer on this account has been estimated at Rs. 40 crores.

The following table summarises the contribution of the above mentioned items of expenditure to the Unproductive Debt, between 1858 and 1930.

	In crores of rupees
All debt due to external wars between 1858 and 1914	90
Extraordinary charges of the Great War	150
Special contribution of India in the Great War	189
Budget deficits	42
Measurable losses resulting from the currency and exchange policy	125
Miscellaneous civil charges	30
Total	626

PRODUCTIVE DEBT.

The following are the five main classes of the Productive Debt :—

1. Debt or obligations in respect of Railways built, owned and worked by the State, or those purchased from the companies.
2. Debt in respect of Irrigation.
3. Debt in respect of Commercial Departments like Post Office.
4. Debt in respect of development borrowings, which consist mainly of loans advanced by the Central or Provincial Governments to Municipalities, Port Trusts, Improvement Trusts etc.
5. Debts in respect of Government loans to Indian States.

Of these five classes, the Railway debt is by far the most important and includes, (1) the amount borrowed by the Government for the construction of State Railways, (2) the amount borrowed for the purchase of Railways originally built on the guarantee system and (3) the amount borrowed for helping subsidised railway companies.

The purchase of railways from the companies has been responsible for the heaviest obligations on this account. This has been due to the fact that at the time of the construction of railways, the guarantee system caused an excessive investment of capital, and the entire capital stock of the companies had to be redeemed by the Government when the railways were purchased. Besides, the railways were acquired by the State at a time when the value of their shares or stock was much higher than the original value.

The irrigation debt ranks next in importance. The policy of high water rates has kept this debt fairly productive, as the average yield from all kinds of Government irrigation works has, generally speaking, fluctuated between 6 and 7 per cent.

The debt in respect of the Commercial Departments of the Government is not very big and generally bears its own burden.

Development loans in many cases do not prove to be productive, as for example, the loans contracted for the Bombay Development scheme. The local bodies too as a rule meet most of their obligations not out of the income from any permanent assets but from taxation.

The debts contracted by the Government for advancing loans to Indian States are also, in many cases, not really productive and the obligations are usually met from taxation.

The following table shows the total Interest-bearing Obligations of the Government of India on March 31, 1937 :—

<i>In India</i>	(In crores of Rupees)
Loans	437.88
Treasury Bills	29.69
Other obligations—	
Post Office Savings Bank	74.75
Provident Funds, etc.	102.28
Postal Cash Certificates	65.23
Depreciation and Reserve Funds	19.05
Provincial Balances	1.36
	<hr/>
Total : Loans etc.	467.57
Total : Other Obligations	262.67
	<hr/>
Total—In India	730.24

<i>In England—</i>	(In millions of pounds)
Loans	300.72
Capital value of liabilities undergoing redemption by way of terminable railway annuities	39.85
Provident Funds, etc.	1.49
	<hr/>
Total—In England	358.78
	<hr/>
Equivalent at 1s. 6d. to the rupee	478.37
	<hr/>
Total: Interest-bearing Obligations	1,208.61

Public debt in India constitutes one of the heaviest burdens on the tax-payer. Not only does it necessitate higher taxation, but nearly one-third of the amount paid out annually as interest goes abroad in respect of foreign loans. The great bulk of the debt was neither contracted in the interests of India, nor were the Indian people ever given any voice in determining its character and magnitude. It was inflicted on the country either by British parliamentary legislation or by the Executive orders of the Government of India, in the interest of British imperial domination in India and in the East. This can be seen from an analysis of all the major items of expenditure which have contributed to the debt.

The wars for which India has been made to pay so heavily were fought either in defence of the British Empire or for facilitating British imperial aggrandisement in the East. Most of them were meant to keep India as a safe preserve for Great Britain.

The lavish payments made to the East India Company in redemption of its capital stock should have been charged exclusively to British revenues, since all the benefits from the commercial transactions and territorial conquests of the Company and the transfer of India to the Crown, accrued to Great Britain and not to the Indian people. The same is true of the cost of the Revolt of 1857.

Similarly the enormous financial obligations thrown on India by the Great War cannot on any ground be justified as having been incurred in the interests of India. Budget deficits, which have added considerably to the public debt have been caused mainly by over inflated expenditure for the maintenance of law and order. The losses on account of exchange have been occasioned by the policy of manipulating Indian exchange rates in a manner as to discourage Indian industries and stimulate British imports into India. Thus, obligations under none of these heads can be considered to have been incurred in the interests of India.

A very large part of the expenditure on the railways has been dictated by political considerations, and even where commercial advantages have been taken into account, the interests of British trade have invariably dominated the railway policy of the Government. Besides, as stated above, the guarantee system caused a highly wasteful expenditure of capital on the construction of railways. Hence, a considerable part of the huge railway debt of today cannot be said to have been incurred for promoting the material welfare of the Indian people.

It will be seen from the above account that the public debt of India is the outcome of various exigencies of British rule in the country. The present magnitude of the debt is attributable to the fact that while on the one hand British imperialism has curbed the economic development of India, thereby choking the most important sources of revenue, on the other, it has spent increasingly on civil administration and military services for safeguarding its system of Government in the country.

Civil Administration

Civil Administration in India is one of the costliest in the world; this is due essentially to its top heaviness. The total expenditure on Civil Administration absorbs about 40 per cent of the revenues of the country. A very large part of this expenditure is on account of the salaries and allowances of the higher grades of public services. In fact, the proportion of expenditure which is devoted to the payment of Imperial and Provincial services in India is far higher than what is paid to public servants in the more advanced and richer countries, and is excessive not only in relation to the general poverty of the country but also in relation to the efficiency of the services concerned. The higher salaries in India have never been adjusted either to the needs of Indian administration or to the financial resources of the country. The inclusion of a very highly paid foreign element in the higher Indian services adds to the expensiveness of Civil Administration.

A comparison of the Indian scale of salaries with the scale of other countries which are

economically far ahead of India would reveal the unjustifiably high level of remuneration prevailing here. Japan whose per capita income is about twice as large as that of India pays the highest salary of 9,600 Yens per year, or Rs. 622 per month, to the Prime Minister. Other Ministers get Rs. 376 per month each; the Governor General of Korea gets Rs. 440 per month.

The per capita income of the United States is about 22 times higher than that of India, and yet the President of the U. S. A. receives a monthly salary of Rs. 17,062, as against Rs. 21, 333 received by the Governor General of India. A member of the President's Cabinet in America draws a monthly salary of Rs. 3,412, while a member of the Viceroy's Executive Council in India receives Rs. 6,667 per month.

Great Britain, whose per capita income is about 14 times higher than that of India, pays only Rs. 11,111 to the Prime Minister, which is about half the salary of the Viceroy of India. A British Cabinet Minister draws Rs. 5,555 per month as against Rs. 6,667 drawn by the Members of the Viceroy's Council. The salaries of the majority of civil servants in Great Britain range between Rs. 777 and Rs. 1000 per month and the highest salary that a Civil British Servant can aspire to is Rs. 3333 which is paid only to the Permanent Departmental Secretaries.

Canada, which is a country having a per capita income about 17 times higher than that of India, pays the highest salary of Rs. 3375 to the Prime Minister and Rs. 2250 to the other Ministers. Similarly the Union of South Africa which is far richer than India pays Rs. 3888 to the Prime Minister and Rs. 2,777 to the other Ministers.

It should be remembered that the above noted disparity between the Indian and foreign scale of salaries is not confined to the highest official posts but holds good in the case of all the upper rungs of the civil services. The salaries of district officers in India generally range between Rs. 1200 and Rs. 3500 per month. Divisional Commissioners are paid from Rs. 3000 to Rs. 4000 per month. To these salaries must be added a number of allowances, which amount annually to a very considerable sum.

While the salaries of higher services are patently excessive, the lower grades are very poorly paid. The enormous disparity which exists in this respect is highly undesirable from the point of view of efficiency in administration.

It cannot therefore be denied that there is an urgent cause for a substantial scaling down of the higher salaries and a material increase in the rate of payment to the lower services.

"Expenditure on Law and order"

One of the most notable features of the Indian financial scheme is the enormous expenditure which is incurred annually on all those services which are designed to suppress every expression of discontent with the present system of government and every popular urge to secure the political emancipation of the country. Taking Police, Prisons, Convict Settlements and Courts of Law as constituting such services, we note that in 1935-36 the total amount spent on them was Rs. 20,40,53,422 or about 10 per cent of the total revenues of the country.

The growth of political consciousness among the Indian people, and their realisation of the undemocratic and anti-national character of the present State has caused a progressive strengthening of the administrative machinery for the maintenance of law and order. Thus the expenditure on Police alone rose from Rs. 2,16,31,000 in 1861-62 to Rs. 12,61,49,208 in 1935-36, and today constitutes about 6 per cent of the total expenditure. Similarly the expenditure on Courts of law rose from Rs. 1,95,12,000 to Rs. 5,31,96,722 in 1935-36. The amount spent on prisons and convict settlement, in a like manner, increased from Rs. 89,97,000 in 1891-92 to Rs. 2,47,07,492 in 1935-36.

If the expenditure on military and other armed forces is included in the general expenditure on law and order, on the ground that the ultimate responsibility for the maintenance of internal order falls on the armed forces, then the total amount spent on this account in 1935-36 was Rs. 70,59,06,675 or about 34 per cent of the total receipts of the country.

It should be clearly understood that under the present system of government, any substantial reduction in the expenditure on law and order is not possible, because this expenditure is the very keystone of British rule in the country. Today, in view of the growing revolt of the Indian people, British imperialism needs, more than ever, before, a mighty coercive machinery to safeguard its position and power and its innumerable vested interests in India.

Expenditure on Material and Cultural development.

We have noted above how recklessly the revenues of the country are being spent on all those services which are designed to safeguard the political domination of Great Britain over India. In view of this inordinate waste, it is no wonder that the services which promote the material and cultural welfare of the people are grossly neglected and kept perpetually starving in respect of funds.

To take education, it may be observed that until 1854 the Government of India had no educational policy and no special funds were earmarked for this purpose. After 1859, local cesses were imposed in several provinces to provide for educational expenditure, which however remained so very meagre that in 1866-67 the total amount spent on this account was Rs. 76 lakhs. With the introduction of the scheme of provincial decentralisation in 1871-72, and more particularly after 1882, when primary schools were handed over to municipalities and local boards with the power to levy local cesses to support the schools, educational charges began to increase steadily from year to year but the total expenditure always lagged miserably behind the educational needs of the people. Moreover, primary education was seriously neglected, as the local government bodies were too poor to make adequate provision for this education, and the Provincial and Central Governments devoted their attention mainly to secondary and University education. In 1911 it was estimated by Mr. Gokhale that while the U. S. A. spent 16 s. per head of the population per year on primary education, England and Wales 10s., Scotland 9s., Australia 11s. 3d., Germany 6s. 10d., India spent hardly 1d.

In 1934-35 the expenditure on education incurred by the Central and Provincial Governments together was Rs. 120167503 or 5.7 per cent of the total public expenditure of the country for that year. In relation to the total population of British India this gives a per capita expenditure on education of about 7 annas. If we include the amount spent by municipalities and district boards, the total expenditures on education from public funds amounted in 1934-35 to Rs. 15,74,65,078, which gives a per capita expenditure of about 9 annas. As against this, the United Kingdom spends on education Rs. 19 per head of the population in one year, France spends about Rs. 10 and the U.S.A. about Rs. 55.

This enormous disparity in educational expenditure is naturally reflected in literacy figures. In the U.S.A. nearly 20 per cent of the total population is enrolled in elementary schools, as compared with 17 per cent in England and Wales, 13 per cent in Japan and only about 4 per cent in India. Literacy is almost universal in all the advanced countries of the world, but in India only 9.5 per cent of the population is literate in the sense of being able to read and write an ordinary letter in an Indian language. Literacy in English language is confined only to about 2 per cent of the male population and 13 per cent of the female population.

The table given on page 55 shows the number of recognised educational institutions for males and females, in British India, in 1934-35.

Institutions	Number of Institutions		Total
	For Males	For Females	
Arts Colleges ..	232	27	259
High Schools ..	3091	376	3467
Middle Schools (English)	3995	393	4388
Middle Schools (Vernacular)	5697	532	6229
Primary Schools ..	166588	33785	200373

These figures when related to the total area and population of British India show that there is one Arts College per every 4223 square miles and 10469853 persons, one High School per every 315 square miles and 78365 persons, one Middle School per every 103 square miles and 25590 persons and one Primary School per every 5 square miles and 1355 persons.

Medical and Public Health

The expenditure on Medical and Public Health Departments is even less than the expenditure on Education. In 1935-36, the total amount spent on these departments by the Central and Provincial governments together was Rs. 5,54,18,523, i.e., 2.6 per cent of the total public expenditure of that year.

The meagreness of this amount presents an alarming contrast to the astoundingly high rate of mortality in India due to preventable disease. The general death rate of India is 24.9 in a thousand, as against 12 in a thousand in Great Britain, 10.9 in the United States of America, 16.8 in Japan, 8.7 in Holland, 9.5 in Australia. The rate of Infant Mortality in India is one of the highest in the world; it is 187 per thousand, as against 85 per thousand in Germany, 41 in Australia, 31 in New Zeland, 51 in Holland. The average expectation of life in India has declined from 30 years in 1881 to 23 years today; the corresponding figure for England and Wales at present is 55 years.

The latest report of the Public Health Commission for India shows that in 1934, 199708 died of small pox, 80131 died of plague, 3957077 died of fevers, 285110 died of dysentery and diarrhoea, 483018 died of respiratory diseases and 1767272 died of all other causes. The Public Health Commissioner reports that 44 per cent of all the deaths are caused by malarial fever. It was estimated a few years ago by Sir John Megaw that about 13000000 people were suffering from venereal diseases in British India, over 2000,000 were suffering from tuberculosis, 6000,000 had become victims of night blindness due to bad diet, 6000,000 were totally blind, rickets due to deficiency in diet affected 2000,000 persons, and about 100,000,000 persons suffered from malaria every year.

The tragic significance of these facts is enhanced by the dire inadequacy of the medical aid provided. According to the Public Health Commissioner, the total consumption of quinine in British India is only 200,000 lbs; this falls short of the country's requirements by 1,050,000 lbs. At the end of 1935 there were only 6,700 hospitals and dispensaries in British India, of which about 80 per cent were maintained by Government or local authorities or both. This gives one hospital or dispensary to every 163 square miles and to every 40,185 persons. It might also be noted that most of the Indian hospitals and dispensaries are very badly equipped and the medical aid provided is highly inefficient.

Agriculture

Although agriculture is the main occupation of over 70 per cent of the Indian people, yet the expenditure on agricultural development is almost negligible. In 1935-36, the total

amount spent on this account was Rs. 2,76,78,390 which meant only 1.3 per cent of the total public expenditure of that year.

It is noteworthy that the present departments of Agriculture were started as late as 1905, and although every province has today an Agricultural Department, yet the work done by these departments so far has not even touched the fringe of the agricultural problems of the country, because these problems are so big and intricate and so closely connected with the deep rooted poverty of the peasantry that under the present scale of expenditure practically no improvement can be secured. The Agricultural Departments devote a part of their resources to the organisation of agricultural research and a part to the propagation of improved agricultural methods, but everything is done on an extremely small scale as compared to the actual requirements of the situation, and therefore hardly any appreciable progress is made.

Industries

The expenditure on industries is equally negligible; in 1935-36 it represented only .4 per cent of the total expenditure of the country. The present Departments of Industries are also of recent origin, and their work is confined to collecting information on certain industries, giving advice on industrial questions to the public and propagating improved methods of production in regard to certain handicrafts. But, in this case as in that of the Departments of Agriculture, the total work done is extremely meagre, and is not in any way related to the actual requirements of the country.

Famine relief

Famine relief is another item of expenditure which has a special importance for the agricultural masses of the country. Under British rule, the dire poverty of the people and their complete lack of staying power has made famines not only very frequent but also highly disastrous in consequences.

Until 1877, the Government of India had no well defined famine policy; the relief granted in cases of scarcity was generally very meagre and was not governed by any settled principles. No special funds were kept apart for this purpose. After 1877, it was decided to create a special famine relief fund under the Government of India and Rs. 1½ crores were earmarked for this purpose annually. But the fund soon came to be spent partly on actual relief and partly on the construction of protective works, especially irrigation canals and protective railways. In 1881-82, for example, out of a total of Rs. 156,78,860 reserved for famine relief, Rs. 3,48,830 were spent on relief itself, Rs. 71,51,510 were spent on the extinction of earlier debts on account of famine relief, Rs. 68,24,030 were spent on protective railways and Rs. 13,54,490 on irrigation works. Every province was granted a share out of the famine relief fund in proportion to its liability to famine, and famine codes embodying the principles governing famine relief were made.

Until the Reforms of 1919, the expenditure on famine relief was borne jointly by the Central and Provincial governments, the former in every case bearing two-thirds of the expenditure and the latter one-third. After the Reforms, each province was made to maintain its own famine insurance fund and to provide for all its needs in this respect independently of the Central Government.

The total expenditure on various items connected with famine has generally speaking fluctuated around Rs. 1½ crores per year, with the exception of those years, as for example, 1896-97, 1899-1900 and 1900-01, when very acute and widespread famines occurred and when the expenditure was considerably higher. The actual amount spent on relief alone has fluctuated a great deal from year to year. In recent years it has been generally below Rs. 25 lakhs per year.

The present system of famine relief in India is highly unsatisfactory, partly because the total amount earmarked for this purpose is inadequate in view of the great liability of the country to famines and the magnitude of relief needed, and partly because even this amount is not all spent strictly on relief itself; a very large part of the fund being devoted to the liquidation of old debts and the construction and maintenance of the so-called protective irrigation and railway works. This imposes serious restrictions on the scale of relief operations in cases of widespread scarcity. Generally speaking, the Government is very reluctant to declare a state of famine in any area unless the distress is very extensive and acute, but even when such a declaration is made and the famine code is put into operation, the amount of relief granted is usually far smaller than the actual requirements of the afflicted population. There is no reason why in a famine-stricken agricultural country like India famine relief should not form a major item of expenditure and one of the first charges on the public revenues.

Distribution of expenditure between 'Essential' and 'Nation building' Services

It may be noted that public finance in India is characterised by a complete absence of expenditure on such social services as unemployment relief, poor law relief, old age pensions, sickness insurance etc. These services absorb a considerable part of the public revenues of every advanced country of the world and their absence in India is another instance of the highly unproductive and burdensome nature of the Indian financial system.

The following table shows how the total public expenditure is overwhelmingly weighted in favour of the so-called "Essential Services."

Year	<i>Expenditure per 1000 persons in Rupees</i>		
	Essential Services	Nation Building Services	Tax Burden
1876	1810	159	1974
1886	2108	166	2073
1896	2142	201	2205
1906	2462	277	2562
1912	2514	302	2911
1921	4511	588	5136
1929	4210	876	5402

The situation has not materially changed since 1929. The subordinate position held by the nation building services is further illustrated by the amount spent per head of the population under different items of expenditure. The table given below speaks for itself.

<i>Expenditure per head of the population of British India in 1935-36</i>				
Items of Expenditure	Amount spent per head of population			
	Rs. a. p.			
Military Services	0 13 7
Police, Jails, Convict Settlement, and Justice	0 7 11
Education	0 7 2
Medical	0 2 3
Public Health	0 0 11
Agriculture	0 1 7
Industries	0 0 6
Scientific Departments	0 0 5

PART II

PROVINCIAL TABLES (REVENUE AND EXPENDITURE)

In this part the Revenues and Expenditure of each Province have been shown separately in a tabular form. The figures for the year 1936-37 are Budget estimates ; the rest are either Actuals or Revised.

The percentage distribution of the Revenues and Expenditure under important heads has been shown separately in the case of every Province, in order to give a better idea as to how public money is collected and spent.

The reader will do well to note how in every Province the great bulk of the revenue is drawn from three or four sources, namely Land Revenue, Excise, Stamps and Registration. As we have already shown the burden of income from these sources falls overwhelmingly on the poorer classes.

The reader will also note the meagreness of the amount spent on *Social* or *Nation Building* services, such as, Education, Public Health, Industries, Agriculture etc., and the excessive expenditure on Civil Administration, particularly on Police, Administration of Justice, Jails and other services indispensable for the maintenance of 'Law and Order.'

UNITED PROVINCES—REVENUE—(in lakhs of rupees)

Heads of Revenue	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Land Revenue	681	680	692	671	690	688	693	604	685	648	612	571	558	586	588	580
Excise	149	141	131	131	133	131	141	131	130	112	108	122	131	134	141	144
Stamps	151	161	175	174	177	169	171	173	181	170	166	186	175	160	150	163
Other Principal head of Revenue	124*	96	86	82	78	72	79	75	76	63	57	59	57	60	59	57
Railways	1	1	2	2	2	1	2	2	2	1	1	1	1	1	1	1
Irrigation etc.	93	86	99	66	85	99	98	85	127	110	98	129	121	110	156	138
Interest	15	22	18	18	13	9	12	10	17	15	13	13	12	13	12	11
Civil Administration	31	36	39	41	42	45	47	47	48	50	47	44	44	44	48	50
Civil works	5	5	5	7	4	4	4	4	3	7	6	4	5	7	18	21
Miscellaneous	14	20	24	46†	46†	41†	38	14	28	21	14	16	19	15	16	17
Contributions .. .. .	..	..	..	1	..	..	1	..	..	..	..	..	..	..	..	..
Extraordinary Items .. .. .	..	..	..	..	..	31‡	..	..	..	..	..	..	..	..	..	..
Total Revenue	1,264	1,248	1,271	1,239	1,270	1,290	1,286	1,145	1,297	1,197	1,122	1,145	1,124	1,130	1,188	1,181

* Includes 25 lakhs in tax on Income.

† Includes transfers from the Famine Insurance Fund 21, 23, 22 and 19 respectively.

‡ Includes 29 lakhs due to adjustment of discount on U. P. development loan charged to Revenue in the yrs. 1921-22 and 1922-23.

U. P. REVENUE—(Percentage Distribution)

Heads	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Land Revenue	53.7	54.4	54.4	54.1	54.3	53.3	53.8	52.7	52.7	53.3	54.5	49.8	49.6	51.8	49.4	49
Excise	11.7	11.2	10.3	10.5	10.5	10.1	10.9	11.4	10.0	9.3	9.6	10.6	11.6	11.8	11.8	11.3
Stamps	11.9	12.9	13.7	14.0	13.9	13.1	13.3	15.1	13.8	15.0	14.7	16.2	15.5	14.1	12.7	13.8
Other principal head of Revenue	9.8	7.6	6.7	6.6	6.1	5.5	6.1	6.6	5.8	5.2	5.0	5.1	5.0	5.3	4.9	4.8
Irrigation	7.3	6.8	7.7	5.3	6.6	7.6	7.8	7.4	9.8	9.1	8.7	11.2	10.7	9.7	13.1	11.7
Interest	1.1	1.7	1.3	1.4	1.0	.7	.9	.8	1.7	1.2	1.1	1.1	1.0	1.1	1.0	.9
Civil administration	2.4	2.8	3.0	3.3	3.3	3.4	3.7	4.1	3.7	4.1	4.1	3.7	3.9	3.8	4.0	4.2

UNITED PROVIN-

(In lakhs)

Heads of Expenditure	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27
Direct Demands	165	154	140	131	142	140
Irrigation	51	53	59	64	74	79
Debt Services	42	33	30	30	33	41
General Administration	136	135	128	129	127	130
Administration of Justice	66	66	67	69	69	73
Jails and Convict Settlements	37	39	31	30	34	36
Police	181	172	159	161	159	161
Scientific (in 1,000's)	1	..	..	..	..	..
Education	151	138	159	171	170	184
Medical	23	25	24	25	28	32
Public Health	29	14	19	19	22	22
Agriculture	27	25	24	24	26	28
Industries	9	9	10	9	10	12
Aviation (in 1,000's) .. .. .	..	..	..	..	..	..
Miscellaneous Depts. (in 1,000's) .. .. .	..	..	..	..	..	..
Extraordinary Items .. .. .	..	..	..	..	..	..
Miscellaneous	109	107	103	71	69	70
Civil Works	102	77	73	80	70	68
Expenditure in England .. .. .	..	..	..	..	..	..
Contributions etc.	262	242	240	240	240	183
TOTAL EXPENDITURE ..	1,411	1,313	1,287	1,282	1,301	1,285

UNITED PROVIN-

Percentage

Heads	1922	1923	1924	1925	1926	1927
Direct Demands	11·6	11·7	10·8	10·2	10·9	10·8
Irrigation	3·6	4·03	4·5	4·9	5·6	6·1
Debt Services	2·9	2·5	2·3	2·3	2·5	3·1
General Administration	9·6	10·2	9·8	10·06	9·7	10·1
Administration of Justice	4·6	5·02	5·2	5·3	5·3	5·6
Jails and Convict Settlements	2·6	2·9	2·4	2·3	2·6	2·8
Police	12·8	13·09	12·3	12·5	12·2	12·5
Education	10·7	10·5	12·3	13·3	13·06	14·3
Medical	1·6	1·9	1·8	1·9	2·1	2·4
Public Health	2·05	1·06	1·4	1·4	1·6	1·7
Agriculture	1·9	1·9	1·8	1·8	1·9	2·1
Industries	·6	·6	·7	·7	·9	·9
Miscellaneous	7·7	8·1	8·0	5·5	5·3	5·4
Civil Works	7·2	5·8	5·6	6·2	5·2	5·2

CES EXPENDITURE

of Rupees)

1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
142	145	148	149	135	118	120	120	121	132
86	105	94	103	105	108	107	107	107	109
60	62	67	90	77	82	51	46	45	69
132	135	136	137	130	123	126	129	135	143
74	74	77	76	72	66	68	68	69	73
36	38	41	39	28	30	30	29	30	30
164	166	168	174	168	154	157	158	159	162
..	00,022	00,029	00,029	00,025	00,021	00,022	00,021	00,025	00,022
189	193	198	190	191	181	189	194	200	205
34	34	35	36	33	30	30	32	32	33
24	22	26	23	19	18	18	20	22	21
31	33	33	34	30	27	28	29	32	36
13	12	14	12	11	10	10	10	11	13
..	..	..	..	..	..	00,012	..	00,003	00,004
..	00,077	00,078	00,075	00,081	00,079	00,075	00,082	00,082	00,084
..	..	..	..	..	..	..	1	1	..
67	83	89	93	92	84	89	90	90	94
66	70	50	66	38	44	47	52	62	68
..	39	41	45	44	40	43	42	42	42
151	..	..	..	..	..	..	..	..	..
1,175	1,228	1,233	1,288	1,184	1,130	1,127	1,143	1,171	1,245

CES EXPENDITURE

Distribution

1928	1929	1930	1931	1932	1933	1934	1935	1936	1937
12.08	11.8	12.0	11.5	11.4	10.4	10.6	10.4	10.3	10.6
7.3	8.5	7.6	7.8	8.8	9.5	9.4	9.4	9.1	8.7
5.1	5.04	5.4	6.9	6.5	7.2	4.5	4.0	3.8	5.5
11.2	10.9	11.03	10.6	10.9	10.8	11.1	11.0	11.5	11.4
6.2	6.02	6.2	5.9	6.0	5.9	6.0	5.9	5.8	5.8
3.06	3.09	3.3	3.02	2.3	2.6	2.6	2.5	2.5	2.4
13.9	13.5	13.6	13.5	14.1	13.6	13.9	13.8	13.5	13.0
16.08	15.7	16.05	14.7	16.1	16.0	16.7	16.9	17.0	16.4
2.8	2.7	2.8	2.7	2.7	2.6	2.6	2.7	2.7	2.6
2.04	1.7	2.1	1.7	1.6	1.5	1.5	1.7	1.8	1.6
2.6	2.6	2.6	2.6	2.5	2.3	2.4	2.5	2.7	2.8
1.1	.9	1.1	.9	.9	.8	.8	.8	.9	1.04
5.7	6.7	7.2	7.2	7.7	7.4	7.9	7.8	7.6	7.5
5.6	5.7	4.05	5.1	3.2	3.8	4.1	4.5	5.2	5.4

CENTRAL
CENTRAL PROVIN-

Heads of Revenue	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29
Taxes on Income	3,41,858	1,32,000	..	..	1,00,000	1,62,000
Salt .. .. .	..	..	..	..	..	..
Land Revenue	2,38,43,949	2,25,08,000	2,30,02,000	2,43,89,000	2,49,13,000	2,38,20,000
Excise	1,30,73,000	1,31,74,000	1,55,00,000	1,65,09,000	1,46,14,000	1,30,07,000
Stamps	67,27,651	71,50,000	72,50,000	60,50,000	62,00,000	66,46,000
Forest	51,04,930	53,00,000	54,50,000	56,51,000	56,34,000	57,95,000
Registration	6,61,817	7,00,000	7,30,000	6,86,000	6,57,000	6,68,000
Irrigation, Navigation Embankment a n d Drainage works for which Capital Accounts are kept	27,639	2,19,000	48,000	83,000	1,34,000	—82,000
Irrigation, Navigation, Embankment a n d Drainage works for which no Capital Accounts are kept	1,35,163	1,36,000	1,42,000	1,40,000	1,49,000	1,64,000
Interest	5,14,111	2,60,000	1,88,000	1,91,000	2,62,000	2,92,000
A d m i n i s t r a t i o n o f Justice	5,05,438	5,00,000	5,60,000	6,35,000	6,52,000	4,92,000
Jails and Convicts Settle- ments	2,43,617	2,90,000	3,25,000	3,84,000	3,78,000	3,82,000
Police	1,64,971	1,64,000	1,71,000	1,89,000	1,91,000	2,05,000
Education	3,87,985	4,20,000	4,84,000	5,13,000	5,17,000	5,34,000
Medical	1,30,870	27,000	44,000	48,000	64,000	65,000
Public Health	1,19,220	85,000	58,000	78,000	77,000	61,000
Agriculture	2,85,395	3,17,000	3,16,000	3,20,000	3,23,000	3,66,000
Industries	27,448	42,000	77,000	67,000	33,000	44,000
Miscellaneous Depart- ments	54,019	65,000	65,000	65,000	67,000	67,000
Civil Works	4,62,209	4,00,000	4,50,000	5,00,000	5,00,000	5,10,000
Transfers from Famine Relief Fund .. .. .	..	..	..	..	..	14,81,000
Receipts in aid of Super- annuation	5,64,877	5,71,000	1,10,000	1,93,000	89,000	1,28,000
Stationery and Printing	74,166	45,000	49,000	58,000	66,000	77,000
Miscellaneous	4,60,674	6,74,000	3,66,000	4,40,000	5,14,000	4,23,000
Extraordinary Receipts...	..	..	2,50,000	2,76,000	2,30,000	58,000
Miscellaneous Adjust- ments between the Cent- ral and Provincial Govts. .. .. .	..	..	..	29,000	12,000	..
TOTAL PROVINCIAL REVENUE	5,59,15,330	5,31,81,000	5,56,58,000	5,74,94,000	5,63,76,000	5,53,65,000

PROVINCES
CES REVENUE

1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
1,63,000	1,80,000	25,000	1,00,000	..	..	..	..
..	..	..	..	1,000	..	..	..
2,45,18,000	2,41,10,000	2,48,96,000	2,72,57,000	2,53,76,000	2,55,78,000	2,59,30,000	2,55,57,000
1,28,00,000	1,26,00,000	94,24,000	63,00,000	57,50,000	59,82,000	59,96,000	61,54,000
75,00,000	72,00,000	61,00,000	56,00,000	56,55,000	58,38,000	58,00,000	56,00,000
58,50,000	61,10,000	54,97,000	48,53,000	45,65,000	44,48,000	47,15,000	50,50,000
7,50,000	7,30,000	6,00,000	4,75,000	5,20,000	5,30,000	5,10,000	5,06,000
-2,09,000	-2,85,000	-4,33,000	-1,66,000	16,000	1,54,000	1,77,000	3,06,000
1,44,000	1,46,000	1,37,000	-26,000	1,18,000	1,21,000	1,02,000	1,00,000
4,73,000	4,63,000	7,79,000	7,18,000	5,25,000	5,69,000	4,31,000	3,31,000
5,65,000	5,60,000	5,18,000	5,25,000	5,13,000	4,93,000	4,87,000	4,90,000
3,75,000	3,50,000	2,85,000	1,89,000	1,36,000	1,41,000	1,44,000	1,68,000
2,22,000	62,000	78,000	82,000	75,000	80,000	1,29,000	1,24,000
5,65,000	6,05,000	7,28,000	6,48,000	6,89,000	7,01,000	6,74,000	6,85,000
59,000	71,000	67,000	66,000	73,000	71,000	79,000	76,000
51,000	50,000	53,000	53,000	65,000	69,000	70,000	70,000
4,08,000	4,23,000	3,40,000	3,19,000	2,65,000	2,65,000	2,48,000	2,60,000
74,000	55,000	20,000	7,000	8,000	8,000	8,000	39,000
64,000	2,61,000	7,64,000	3,58,000	3,80,000	4,23,000	4,54,000	4,33,000
4,80,000	5,15,000	7,24,000	13,85,000	10,16,000	10,95,000	14,78,000	16,30,000
30,000	5,00,000	..	40,000	10,000	13,000	10,000	3,000
60,000	1,11,000	66,000	53,000	53,000	52,000	46,000	45,000
69,000	66,000	65,000	57,000	55,000	48,000	42,000	47,000
5,33,000	6,50,000	4,37,000	3,85,000	5,04,000	6,23,000	5,33,000	4,40,000
36,000	77,000	45,000	10,000	15,000	15,000	10,000	10,000
..
5,55,80,000	5,56,10,000	5,12,15,000	4,92,88,000	4,63,83,000	4,73,17,000	4,80,73,000	4,81,24,000

Heads of Expenditure	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29
Land Revenue ..	46,29,081	25,28,000	26,91,000	28,17,000	30,83,000	30,62,000
Excise	9,50,699	7,80,000	22,83,000	18,11,000	15,88,000	13,66,000
Stamps	2,46,570	2,45,000	2,32,000	2,44,000	2,10,000	1,69,000
Forest	30,26,267	33,36,000	36,52,000	39,15,000	40,21,000	42,48,000
Registration ..	2,46,768	2,63,000	2,47,000	2,29,000	2,30,000	2,25,000
<i>Revenue Account of Irrigation etc.</i>						
(a) Interest on works for which Capital Accts. are kept ..	19,55,182	20,86,000	23,35,000	24,80,000	25,38,000	26,87,000
(b) Other Revenue Expenditure financed from ordinary Revenue	1,84,144	2,59,000	2,42,000	2,25,000	2,27,000	4,10,000
(c) Other Revenue Expenditure financed from Famine Insurance Grants ..	..	..	..	1,50,000	2,10,000	..
Construction of Irrigation, Navigation, Embankment and Drainage Works (Capital Accounts)						
(a) Financed from Famine Insurance Grants	2,28,334	2,47,000	1,93,000	1,50,000	1,60,000	1,45,000
(b) Financed from ordinary Revenue ..	..	..	..	..	..	..
Interest on ordinary Debt	2,19,917	88,000	-2,24,000	3,79,000	-3,84,000	-2,38,000
Interest on other obligations .. ..	..	..	..	..	..	..
Reduction or Avoidance of Debt ..	1,28,333	..	3,06,000	3,06,000	3,42,000	4,05,000
General Administration	46,00,274	69,06,002	67,99,000	68,31,000	67,92,000	67,65,000

CES EXPENDITURE

1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
31,12,717	31,51,131	24,59,377	19,81,655	18,98,000	18,72,000	18,36,000	18,23,000
12,02,990	12,05,800	10,00,930	8,51,800	10,36,000	9,21,000	9,67,000	9,49,000
1,86,000	2,97,000	1,70,000	1,34,000	1,32,000	1,44,000	1,30,000	1,26,000
42,35,080	44,14,999	40,91,474	35,24,360	35,39,000	35,69,000	36,39,000	37,57,000
2,27,000	2,30,000	2,07,874	1,79,000	1,86,000	1,89,000	1,93,000	1,99,000
27,27,000	28,17,000	29,06,000	30,53,000	31,18,000	31,14,000	29,36,000	28,22,000
2,87,516	2,86,999	1,81,000	1,69,000	1,52,000	1,22,000	1,07,000	98,000
..
..
84,484	60,000	55,000	20,000	28,000	13,000	16,000	9,000
-7,21,000	-3,02,000	-1,69,000	1,85,000	5,000	-2,67,000	3,000	28,000
..	61,000	41,000	1,22,000	1,28,000	30,000	29,000	15,000
1,83,000	3,37,000	4,77,000	36,05,000	3,55,000	6,30,000	6,47,000	8,80,000
72,57,194	73,41,558	72,15,636	66,16,756	68,72,000	68,34,000	67,85,000	69,92,000

CENTRAL PROVINCES

Heads of Expenditure	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29
Administration of justice..	30,12,038	30,70,000	30,97,000	31,28,000	32,52,000	32,20,000
Jails and Convict Settlements	9,73,099	9,69,000	10,29,000	9,98,000	10,04,000	10,25,000
Police	56,05,486	57,73,000	57,85,000	59,28,000	58,93,000	60,56,000
Scientific Depts.	12,005	13,000	12,000	13,000	15,000	28,000
Education	48,97,093	51,20,120	53,79,000	62,76,000	55,86,000	68,27,000
Medical	13,51,847	13,13,897	13,59,000	16,45,000	15,34,000	18,03,000
Public Health	2,51,640	3,08,000	4,42,000	4,75,000	3,53,000	6,94,000
Agriculture	14,18,320	14,19,138	15,99,000	17,36,000	16,97,000	19,10,300
Industries	2,63,923	2,73,500	3,64,000	3,21,000	2,85,000	3,18,000
Civil Works	68,19,738	63,25,600	73,40,000	98,80,000	1,01,66,000	1,06,20,000
Famine Relief	11,922	..	..	26,000	..	62,000
Transfers to Famine Insurance Fund	40,46,553	39,91,000	37,52,000	35,90,000	34,74,000	..
Superannuation Allowances and Pensions	20,54,972	18,20,000	21,39,000	19,17,000	16,39,000	15,95,000
Stationery and Printing..	5,99,272	5,85,000	5,74,000	6,44,000	6,32,000	6,43,000
Miscellaneous	7,84,031	9,90,000	15,18,000	8,16,000	8,90,000	8,64,000
Contribution to Central Government	22,00,000	22,00,000	22,00,000	22,00,000	22,00,000	14,33,000
Miscellaneous Adjustments between Central and Provincial Govts. ..	3,592	23,000	22,000	45,000	..	..
Extraordinary charges ..	..	..	30,000	13,000	..	..
Expenditure in England ..	8,36,546	10,57,000	11,49,000	15,49,000	15,67,000	17,20,000
Miscellaneous Departments	88,265	1,20,000	1,34,000	1,44,000	1,28,000	1,31,000
TOTAL PROVINCIAL EXPENDITURE ..	5,16,45,911	5,21,09,257	5,66,80,000	6,01,23,000	5,93,32,000	5,81,93,000

EXPENDITURE.—(continued)

1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
33,47,328	33,29,799	31,98,115	27,52,480	27,73,000	26,94,000	26,35,000	27,98,000
10,26,314	10,70,078	10,17,439	8,56,240	8,44,000	8,31,000	8,35,000	8,64,000
61,95,735	63,56,908	62,05,620	58,49,120	59,74,000	60,05,000	60,09,000	61,16,000
17,600	18,000	16,000	13,000	13,000	14,000	15,000	14,000
58,74,363	62,99,851	53,95,474	49,68,320	50,75,000	50,34,000	50,79,000	53,04,000
15,47,112	16,75,240	14,17,040	12,16,440	13,25,000	13,60,000	14,34,000	15,38,000
6,08,831	5,48,040	4,24,039	3,57,040	3,52,000	3,37,000	3,49,000	3,66,000
19,45,793	20,39,600	18,57,200	15,21,639	15,38,000	15,16,000	15,79,000	16,27,000
3,19,145	3,40,000	2,90,680	2,21,999	2,16,000	2,35,000	2,60,000	3,07,000
87,18,970	87,39,500	57,87,900	58,09,640	55,44,000	61,82,000	63,92,000	64,71,000
30,000	5,00,000	..	40,000	10,000	13,000	10,000	3,000
..
24,54,760	27,43,680	29,42,200	33,89,200	38,28,000	40,13,000	42,14,000	44,23,000
6,84,945	6,89,520	5,65,000	5,77,879	8,05,000	8,22,000	6,01,000	5,88,000
9,68,200	10,02,120	7,04,120	6,83,939	6,76,000	7,15,000	6,71,000	7,05,000
..
..
..
..
1,39,000	1,78,560	2,02,992	1,68,799	1,57,000	1,61,000	1,55,000	1,49,000
5,26,60,322	5,54,31,623	4,86,60,110	4,88,67,306	4,65,79,000	4,71,03,000	4,75,26,000	4,89,71,000

CENTRAL PROVINCES—REVENUE—(Percentage Distribution)

Heads	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Taxes on Income .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Salt .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Land Revenue	44·2	42·3	41·3	42·4	44·1	43·02	44·1	43·3	48·6	55·2	54·7	54·05	53·9	53·06
Excise	24·2	24·7	27·8	28·8	25·9	23·3	23·02	22·6	18·4	12·7	12·3	12·7	12·4	12·7
Stamps	12·4	13·4	13·02	10·5	10·9	12·04	13·3	12·9	11·9	11·3	12·1	12·3	12·06	11·6
Forest	9·4	9·9	9·7	9·8	9·9	10·4	9·8	10·9	10·7	9·8	9·8	9·4	9·8	1·4
Registration	1·2	1·3	1·3	1·1	1·1	1·2	1·3	1·3	1·09	·9	1·1	1·1	1·06	1·05
Irrigation, Navigation and Drainage work :—														
For which capital accounts are kept ..	·05	·4	·08	·1	·2	—·1	—·3	—·5	—·8	—·3	·03	·3	·3	·6
For which no capital accounts are kept ..	·2	·2	·2	·2	·2	·3	·2	·2	·2	·04	·2	·2	·2	·2

CENTRAL PROVINCES—EXPENDITURE—(Percentage Distribution)

Heads	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Administration of Justice	5·8	5·8	5·4	5·2	5·4	5·5	6·3	6·0	6·5	5·6	5·9	5·7	5·5	5·7
Jails and Convict Settlements	1·8	1·8	1·8	1·6	1·6	1·7	1·9	1·9	2·08	1·7	1·8	1·7	1·7	1·8
Police	10·8	11·0	10·2	9·8	9·9	10·4	11·7	11·4	12·7	11·9	12·8	12·7	12·6	2·4
Scientific Depts.	·02	·02	·02	·02	·02	·04	·03	·03	·03	·02	·02	·02	·03	·02
Education	9·4	9·8	9·4	10·4	9·4	11·7	11·1	11·3	11·07	10·1	10·8	10·6	10·6	10·8
Medical	2·6	2·5	2·3	2·7	2·5	3·09	2·9	3·02	2·9	2·4	2·8	2·8	3·01	3·1
Public Health	·4	·5	·7	·7	·5	·9	1·1	·9	·8	·7	·7	·7	·7	·7
Agriculture	2·7	2·7	2·8	2·8	2·8	3·2	3·6	3·6	3·8	3·1	3·3	3·2	3·3	3·3
Industries	·5	·5	·6	·5	·4	·5	·6	·6	·5	·4	·4	·4	·5	·6
Civil Works	13·1	12·1	12·9	16·4	17·1	18·2	15·7	15·7	11·8	11·8	11·8	13·1	13·4	13·2

MADRAS PRESIDENCY

MADRAS REVENUE

Heads of Revenue	1921-22	1922-23	1923-24	1924-25
Scheduled Taxes	39,88,842	..	10,61,272	1,56,810
Land Revenue	7,25,95,385	7,29,84,310	7,14,27,726	7,40,19,608
Salt .. .. .	..	..	..	..
Excise	4,88,17,244	4,90,14,302	5,18,87,475	4,90,14,108
Stamps	1,89,85,146	2,19,83,558	2,34,05,295	2,41,51,274
Forest	48,56,960	52,72,956	54,15,557	55,73,761
Registration	32,55,695	35,98,474	36,86,382	37,89,867
Irrigation etc. (Capt. Acct. kept) ..	-28,01,554	-27,29,983	-26,40,996	-37,58,730
Irrigation etc. (Capt. Acct. not kept)	1,30,813	1,36,476	1,24,969	1,19,001
Interest	6,19,714	9,52,606	11,17,973	12,80,026
Administration of Justice	10,80,456	15,84,212	16,47,877	13,76,122
Jails and Convict Settlements	9,29,151	7,77,542	6,46,256	7,58,750
Police	6,68,374	13,45,310	9,12,594	9,24,581
Ports and Pilotage	915	112	15	..
Education	7,22,692	7,02,450	6,99,953	6,57,113
Medical	3,07,322	3,39,528	4,38,301	3,61,574
Public Health	77,867	2,62,538	56,933	37,509
Agriculture	3,88,854	3,45,906	3,80,526	2,74,873
Industries	10,07,328	14,40,245	11,61,978	13,71,594
Miscellaneous Departments	3,03,846	3,42,337	4,31,190	3,88,906
Civil Works	6,52,955	7,56,189	6,61,829	5,92,275
Receipts in aid of Superannuation ..	3,74,186	3,88,541	3,54,113	7,17,081
Stationery and Printing	1,46,693	2,20,561	2,16,540	2,46,329
Miscellaneous	5,75,110	5,49,072	7,56,274	5,90,656
Extraordinary receipts .. .. .	..	..	..	..
Receipts from Hydro-electric Scheme ..	..	..	..	..
Transfers from Famine Relief Fund ..	..	..	..	..
TOTAL	15,76,83,994	16,02,67,242	16,38,50,032	16,26,43,088

Heads of Revenue	1925-26	1926-27	1927-28	1928-29	1929-30
Scheduled Taxes	4,27,084	4,64,228	5,94,325	5,48,330	7,26,627
Land Revenue	7,70,70,273	7,54,31,549	7,54,35,103	7,54,41,254	7,52,76,267
Salt .. ..	..	..	..	..	..
Excise	4,94,34,984	5,10,52,696	5,34,37,219	5,58,76,226	5,92,26,095
Stamps	2,45,08,285	2,52,30,096	2,50,11,217	2,51,16,522	2,50,92,012
Forest	51,81,359	56,23,960	53,44,431	61,55,728	63,56,299
Registration	38,60,432	40,52,920	39,05,522	34,12,183	35,57,508
Irrigation etc. (Capital Acct. kept)	-35,78,605	-42,17,605	-45,38,935	-48,74,416	-49,98,507.
Irrigation etc. (Capital Acct. not kept)	1,22,151	1,12,660	1,42,890	2,62,845	2,94,076
Interest	16,20,883	20,86,362	25,17,095	34,27,635	40,88,160
Administration of Justice ..	12,20,514	12,67,575	12,93,771	13,47,060	16,47,286
Jails and Convict Settlements	8,98,741	8,34,394	9,15,968	9,33,598	10,61,455
Police	10,09,502	10,10,012	9,99,499	11,39,982	11,91,857
Ports and Pilotage .. ..	..	..	..	634	1,306
Education	6,30,517	6,65,477	6,53,794	6,83,097	7,86,769
Medical	3,97,268	4,55,177	4,56,552	8,09,653	8,52,400
Public Health	1,00,375	69,101	55,004	1,43,258	2,59,638
Agriculture	2,69,487	2,90,210	3,29,586	3,40,736	3,14,340
Industries	11,13,130	9,69,645	11,72,465	8,98,329	7,86,125
Miscellaneous Departments	4,41,275	4,62,931	5,01,198	5,65,455	6,00,675
Civil Works	9,67,457	8,37,009	9,25,292	13,06,344	11,51,701
Receipts in aid of (Super-annuation)	6,35,041	6,90,455	3,91,969	3,88,626	4,36,286
Stationery and Printing ..	2,55,870	2,67,509	3,05,770	2,88,211	2,95,255
Miscellaneous	9,18,912	7,12,374	6,87,320	10,99,258	14,83,624
Extraordinary receipts ..	17,90,635	..	..	..	..
Receipts from Hydro-electric Scheme .. ..	..	..	..	..	..
Transfers from Famine Relief Fund .. ..	..	..	..	..	..
TOTAL	16,92,95,570	16,83,68,735	17,05,37,055	17,53,10,548	18,08,87,254

REVENUE—(continued)

1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
6,74,925	..	..	..	..	75,000	75,000
7,18,10,581	7,71,65,994	7,48,72,578	7,03,40,700	7,25,13,000	7,23,81,000	7,42,79,100
..	200	200	..	..	..	..
5,24,27,521	4,25,80,070	4,26,97,010	4,32,71,700	4,31,68,000	4,07,10,600	3,94,12,600
2,34,71,486	2,34,92,806	2,41,57,794	2,29,81,400	2,29,78,000	2,04,58,700	201,92,800
52,69,087	45,31,771	49,71,324	43,11,100	42,85,000	44,56,900	43,26,800
31,30,068	30,73,426	33,49,237	31,20,800	31,21,000	31,01,000	31,24,600
			5,95,800	5,96,000	6,64,300	6,90,100
-46,29,375	-49,54,361	-39,23,384	1,90,800	1,90,000	1,80,500	1,70,900
			35,12,400	27,13,000	22,19,500	22,05,100
2,82,131	2,23,975	2,15,025	17,01,500	16,99,000	16,92,600	15,69,000
42,51,938	30,76,014	29,66,180	5,41,500	5,40,000	5,98,900	5,94,500
15,46,455	14,61,075	16,74,719	5,44,800	5,50,000	5,53,200	5,50,100
9,27,248	7,85,557	5,50,761	800	..	..	..
5,61,644	5,62,214	5,43,470	8,12,500	8,31,000	8,76,700	7,67,400
..	..	10,200	9,03,000	8,98,000	9,33,900	9,45,300
7,94,882	8,62,993	8,69,322	2,73,200	1,55,000	1,83,200	1,83,100
8,87,595	8,26,598	8,41,064	3,50,600	3,82,000	4,83,300	5,11,400
1,61,804	2,64,925	1,90,529	6,30,500	13,65,000	15,35,900	15,77,700
2,97,337	2,94,789	3,02,188	43,21,000	43,63,000	48,04,000	47,58,200
7,92,695	5,65,423	7,49,664	23,63,000	17,76,000	16,46,800	40,89,300
12,48,857	41,79,278	51,04,488	2,68,300	2,54,000	1,95,100	2,14,800
24,89,484	22,46,452	20,63,737	3,55,700	3,92,000	3,96,700	4,17,300
			10,60,200	9,72,000	9,38,800	9,16,900
3,61,578	3,78,074	2,99,207	..	..	..	..
3,12,853	3,97,418	5,27,208	3,75,000	6,22,000	17,70,000	21,99,000
13,22,347	97,32,18	10,01,305	..	..	19,56,400	1,95,000
..
..	..	9,112	..	..	..	..
..
16,83,93,141	16,29,87,909	16,40,24,704	16,28,27,100	16,43,63,000	16,28,83,000	16,39,66,000

Heads of Expenditure	1921-22	1922-23	1923-24	1924-25	1925-26
Taxes on Income	1,10,209	..	..	..	..
Scheduled Taxes .. ..	..	..	..	..	..
Land Revenue	1,29,32,482	1,33,44,656	40,80,362	37,87,832	38,76,326
Excise	30,89,145	29,26,546	28,12,555	26,98,995	47,45,693
Stamps	5,60,464	6,01,464	7,01,469	8,29,263	6,26,111
Forest	52,29,047	48,28,552	46,93,474	40,55,725	44,13,711
Registration	22,60,717	21,92,478	22,63,774	23,84,009	24,75,405
Subsidised Companies .. ..	..	..	..	..	..
Interest on works for which Capital accounts kept	38,20,911	38,33,260	38,91,940	39,77,323	40,17,955
Other Revenue Expenditure for (irrigation) financed from ordinary Revenue	39,99,451	34,94,100	39,34,716	39,88,078	47,32,301
Other Rev. Expenditure for (irrigation) financed from Famine Relief Fund .. ..	..	7,966	4,753	5,035	5,132
Construction of irrigation, Navigation, Embankment Drainage works	40,294	22,593	6,646	59,618	79,782
Interest on ordinary Debt	-3,71,311	3,16,449	6,60,462	6,55,791	9,96,690
Interest on other obligations	..	..	..	..	..
Reduction or avoidance of Debt .. ..	..	..	..	21,55,564	30,27,448
General Administration	1,35,09,798	1,31,98,150	2,16,98,089	2,22,38,926	2,26,79,218
Administration of Justice	94,57,482	95,93,344	94,09,056	96,04,126	96,34,650
Jails and Convict Settlements	29,55,794	39,44,182	31,04,447	29,38,657	30,01,333
Police	2,00,40,311	2,04,29,573	2,00,52,389	1,96,26,502	1,87,87,478
Ports and Pilotage	53,832	49,374	51,915	36,070	34,032
Scientific Departments	1,31,768	1,38,328	1,23,523	1,39,391	3,22,601
Education	1,43,23,742	1,54,44,032	1,64,46,463	1,71,25,057	1,87,44,520
Medical	58,46,814	56,36,383	56,71,544	57,90,181	59,65,823
Public Health	26,85,234	10,50,430	11,79,556	31,64,501	33,15,144
Agriculture	25,56,735	26,93,495	26,71,890	26,87,515	30,06,614
Industries	20,65,576	17,79,455	16,50,783	17,96,784	17,35,549
Misc. Department	9,33,655	10,03,050	13,80,327	14,09,515	15,26,746
Civil Works	1,21,83,925	1,06,86,470	1,05,44,652	81,56,694	99,49,774
Interest on Capital outlay on Hydro-electric Scheme and working expenses .. ..	..	..	..	..	..
Famine	10,67,484	6,47,320	6,47,465	6,23,185	6,41,566
Superannuation allowances and Pensions .. ..	..	48,87,921	53,41,617	56,57,122	57,34,263
Commutation of Pensions .. ..	..	..	..	..	..
Stationery and Printing	24,69,343	23,29,681	25,71,044	21,34,791	16,94,926
Miscellaneous	8,24,993	9,97,596	8,95,807	5,41,752	11,11,890
Extraordinary Payments .. ..	..	..	..	22,91,890	..
Forest Capital outlay charged to Revenue .. ..	..	..	..	2,90,581	4,15,987
TOTAL EXPENDITURE CHARGED TO REVENUE ..	12,73,60,646	12,60,76,848	12,64,90,718	13,08,50,473	13,72,98,668

EXPENDITURE

1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
..
..
39,29,515	39,80,850	31,28,541	28,80,177	29,04,252	25,96,714	20,15,171
42,80,795	43,35,104	43,93,307	45,85,769	46,68,853	37,00,217	33,56,838
5,80,610	6,25,657	6,71,066	7,69,033	5,97,864	6,07,037	6,68,446
45,98,155	43,79,360	43,64,647	45,79,299	44,16,481	40,24,604	40,17,818
25,58,052	26,33,593	27,03,386	29,08,058	29,59,794	28,29,392	26,77,864
..
43,36,786	48,26,839	53,98,330	60,26,845	66,11,044	72,22,366	77,29,383
50,49,712	49,04,412	50,12,927	52,57,904	53,80,438	55,45,215	46,76,091
..
5,263	2,093	1,53,112	11,05,381	7,60,895	4,50,335	2,82,158
11,41,489	13,44,527	12,34,481	—23,169	—7,98,352	—12,99,793	—16,25,909
..	1,962	5,698	5,982	7,395	9,837	9,407
33,76,479	40,21,250	45,66,299	39,50,176	29,21,722	30,35,248	27,72,436
2,29,97,760	2,29,19,691	2,44,73,122	2,50,70,401	2,83,94,384	2,72,90,928	2,62,93,380
95,50,888	96,52,987	97,17,070	98,09,805	1,01,25,432	97,31,932	90,71,837
28,03,596	30,71,324	30,74,576	31,22,519	30,37,292	24,73,962	22,61,822
1,87,32,910	1,92,22,335	1,95,95,667	2,02,20,225	1,82,34,664	1,72,04,570	1,64,03,329
33,891	28,590	29,547	30,341	29,188	30,786	12,123
2,35,497	3,11,408	3,27,023	3,29,481	2,77,810	2,32,489	2,05,098
1,98,68,354	2,20,97,851	2,62,84,019	2,64,26,373	3,00,18,209	2,43,29,880	2,43,33,529
65,82,178	70,95,365	86,95,153	93,18,606	97,70,055	90,73,519	84,51,658
30,91,949	25,53,940	27,01,459	31,11,500	35,05,693	25,91,701	23,34,712
32,47,629	34,80,408	38,57,685	42,34,547	45,19,114	40,31,815	36,32,862
17,96,196	20,19,213	22,09,041	27,13,942	23,13,448	17,05,687	15,27,048
17,47,526	22,09,558	23,99,473	26,36,276	29,83,951	50,22,329	54,67,146
1,14,87,332	1,43,83,647	1,62,13,570	1,85,53,770	2,36,35,438	1,87,66,000	1,54,76,849
..	..	..	53,716	1,47,302	3,63,729	5,74,023
6,61,000	6,61,000	3,00,000	3,00,000	3,00,000	1,00,000	2,84,257
60,57,210	58,10,774	62,03,890	64,73,119	69,30,439	71,77,569	95,19,195
..	2,10,599	6,78,022	8,52,247	9,55,530	6,44,464	7,06,384
20,26,991	20,47,838	20,17,917	23,02,590	24,93,585	22,54,932	20,87,334
3,76,254	4,42,949	5,09,953	4,42,969	4,39,599	4,01,260	4,38,167
..
5,47,911	5,37,655	4,77,480	4,30,699	4,27,114	2,98,452	6,43,444
14,17,01,928	14,98,12,779	16,13,96,461	16,84,78,581	17,89,68,633	16,24,47,176	15,63,03,900

MADRAS EXPENDITURE—(continued)

Heads of Revenue	1933-34	1934-35	1935-36	1936-37
Taxes on Income .. .. .	..	..	..	..
Scheduled Taxes .. .. .	..	..	600	600
Land Revenue	19,97,600	19,55,000	19,48,100	18,01,200
Excise	33,67,200	34,35,000	35,09,400	33,38,600
Stamps	6,01,800	6,21,000	5,92,200	5,75,100
Forest	37,11,000	36,43,000	38,40,600	37,46,200
Registration	29,08,300	29,77,000	29,85,700	29,51,300
Subsidised Companies .. .. .	..	..	..	..
Interest on works for which Capital accounts kept	45,53,400	47,01,000	48,93,700	42,67,200
Other Revenue expenditure for irrigation financed from ordinary Rev.	46,32,500	..	43,28,900	42,32,100
Other Revenue expenditure for irrigation financed from Famine Relief Fund .. .. .	..	..	..	..
Construction of irrigation, Navigation, Embankment, Drainage works	4,46,500	3,92,000	3,37,100	3,40,500
Interest on ordinary Debt.	71,94,700	69,52,000	66,35,700	65,37,300
Interest on other obligations	9,800	10,000	10,900	11,700
Reduction or avoidance of debt.	25,86,000	27,29,000	28,03,000	25,94,600
General Administration	2,71,60,500	2,76,71,000	2,76,53,700	2,78,12,300
Administration of Justice	95,71,600	97,60,000	97,27,100	96,92,400
Jails and Convict Settlements	21,48,400	22,08,000	22,94,400	21,60,000
Police	1,64,39,000	1,65,07,000	1,67,46,600	1,59,79,700
Ports and Pilotage	13,300	14,000	10,600	10,600
Scientific Departments	1,80,400	92,000	60,400	83,800
Education	2,53,22,100	2,51,40,000	2,56,22,300	2,55,53,600
Medical	89,06,200	93,74,000	93,56,400	94,82,400
Public Health	28,01,900	26,29,000	25,57,300	25,61,900
Agriculture	38,21,800	39,37,000	40,66,500	41,75,300
Industries	15,86,200	24,67,000	24,31,700	24,19,900
Miscellaneous Departments	51,54,100	52,59,000	56,72,200	55,73,000
Civil Works	1,60,17,200	1,43,01,000	1,38,33,700	1,54,21,200
Interest on Capital outlay on Hydro-electric Scheme and working expenses	6,36,200	4,75,000	7,27,700	..
Famine	50,000	1,00,000	15,79,000	1,00,000
Superannuation allowances and Pensions	77,95,300	79,41,000	84,28,800	86,28,100
Commutation of Pensions	6,24,000	10,97,000	7,46,000	7,42,200
Stationery and Printing	17,71,500	18,21,000	18,90,900	17,97,000
Miscellaneous	4,99,200	4,74,000	4,73,000	3,94,300
Extraordinary Payments .. .. .	..	..	..	..
Forest Capital outlay charged to Rev.	2,57,900	..	2,77,200	2,98,000
TOTAL EXPENDITURE CHARGED TO REVENUE	16,27,65,600	16,39,17,000	16,60,51,800	16,39,66,000

MADRAS REVENUE. (Percentage Distribution)

Heads	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Taxes on Income	2.5	..	0.6	0.1	0.3	0.3	0.3	0.3	0.4	0.4	..	..	..	..	0.4	0.4
Land Revenue	46.0	45.5	43.6	45.5	45.5	44.8	44.2	43.0	41.6	42.6	47.3	45.6	43.1	44.1	44.4	45.3
Excise	31.0	30.6	31.7	30.1	29.2	30.3	31.3	31.9	32.7	31.1	26.1	26.0	26.5	26.1	25.0	24.1
Stamps	12.0	13.7	14.3	14.8	14.5	15.0	14.7	14.3	13.9	13.9	14.4	14.7	14.1	13.9	12.5	12.3
Forests	3.1	3.3	3.3	3.4	3.1	3.3	3.1	3.5	3.5	3.1	2.8	3.0	2.6	2.6	2.7	2.6
Registration	2.1	2.2	2.2	2.3	2.3	2.4	2.3	1.9	2.0	1.9	1.9	2.0	1.9	1.9	1.9	1.9
Interest	0.4	0.6	0.7	0.8	1.0	1.2	1.5	2.0	2.3	2.5	1.9	1.8	2.1	1.6	1.3	1.3
Administration of Justice ..	0.7	1.0	1.0	0.8	0.7	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	1.0	1.0	0.9

MADRAS EXPENDITURE. (Percentage Distribution)

Heads	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
General Administration ..	10.6	10.5	17.2	17.0	16.5	16.2	15.3	15.2	14.9	15.9	16.8	16.8	16.6	16.9	16.6	16.9
Administration of Justice ..	7.4	7.6	7.4	7.3	7.0	6.7	6.4	6.0	5.8	5.7	6.0	5.8	5.8	5.9	5.8	5.8
Jails and Convict Settlements	2.3	3.1	2.5	2.2	2.2	2.0	2.1	1.9	1.9	1.7	1.5	1.4	1.3	1.3	1.3	1.3
Police	15.7	16.2	15.9	15.0	13.7	13.2	12.8	12.1	12.0	10.2	10.6	10.5	10.0	10.0	10.0	9.7
Scientific Depts.	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.5	0.3	0.5
Education	11.2	12.2	13.0	13.1	13.7	14.0	14.8	16.3	15.7	16.8	15.0	15.6	15.5	15.3	15.4	15.3
Medical	4.6	4.5	4.5	4.4	4.3	4.6	4.7	5.4	5.5	5.5	5.6	5.4	5.4	5.7	5.6	5.7
Public Health	2.1	0.8	0.9	2.4	2.4	2.2	1.7	1.7	1.8	2.0	1.6	1.5	1.7	1.6	1.5	1.6
Agriculture	2.0	2.1	2.1	2.1	2.2	2.3	2.3	2.4	2.5	2.5	2.5	2.3	2.3	2.4	2.4	2.4
Industries	1.6	1.4	1.3	1.4	1.3	1.3	1.3	1.4	1.6	1.3	1.0	1.0	0.9	1.5	1.4	1.5
Famine	0.8	0.5	0.5	0.5	0.5	0.5	0.4	0.2	0.2	0.2	0.1	0.2	0.3	0.6	0.9	0.6

BENGAL
BENGAL

Heads of Revenue	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28
Salt .. ..	..	..	..	..	..	..	..
Land Revenue	3,01,88,957	3,12,62,430	3,13,01,640	3,10,73,587	3,00,57,344	3,11,18,096	3,15,12,155
Excise	1,83,00,888	2,01,09,747	2,09,85,372	2,15,07,342	2,28,02,451	2,25,17,132	2,24,30,653
Stamps	2,73,84,490	3,02,23,619	3,16,74,735	3,36,67,756	3,57,98,109	3,31,60,071	3,46,81,084
Forest	18,98,959	23,11,227	22,61,516	24,75,529	28,56,420	31,23,842	33,49,479
Registration	25,47,705	24,66,964	24,48,870	25,84,520	38,92,052	38,49,866	40,17,184
Scheduled Taxes	93,00,000	25,11,655	23,72,777	21,51,934	19,81,292	16,90,535	19,46,297
Subsidised Cos. etc. ..	1,68,464	..	98,538	93,439	81,558	1,24,447	2,45,452
Irrigation etc. (Capt. Accounts kept)	-2,06,698	-2,72,778	1,31,044	87,838	2,09,298	-2,07,282	-6,96,579
Irrigation (Capt. Accounts not kept)	1,86,754	3,00,948	2,12,667	2,48,467	2,50,075	2,20,559	2,34,981
Interest	4,20,571	2,76,872	3,11,880	3,47,808	3,18,879	4,11,370	6,28,738
Administration of Justice Jails and Convict Settlements	11,61,631	15,18,803	13,39,815	13,29,635	14,40,610	14,50,292	18,38,988
Police	14,76,107	11,53,067	13,37,852	12,61,646	10,70,475	11,73,844	9,48,503
Ports and Pilotage	3,65,219	5,57,266	5,33,421	6,64,441	7,35,693	5,83,386	6,11,185
Education	21,831	26,970	34,926	49,662	19,364	42,371	84,472
Medical	10,65,481	9,69,088	10,20,702	11,20,280	12,13,109	12,53,413	13,58,159
Public Health	5,61,076	5,89,729	7,61,000	7,26,895	7,98,759	9,01,856	8,50,656
Agriculture	9,998	15,945	6,64,877	46,826	45,086	94,005	1,18,926
Industries	2,28,669	2,50,053	3,35,724	2,79,236	2,16,096	3,58,832	4,86,371
Miscellaneous Depts. ..	15,52,003	6,19,817	5,84,267	6,65,851	6,82,169	5,14,587	5,68,699
Civil Works	4,517	12,295	73,994	49,568	23,921	30,182	20,205
Transfer from Famine R. Fund	5,75,369	7,73,713	5,84,820	6,57,014	5,82,195	6,02,816	6,60,590
Receipts in aid of Superannuation .. ..	..	..	..	..	..	..	..
Stationery and Printing	2,11,428	5,67,087	3,35,796	7,01,145	7,39,502	8,95,737	7,29,830
Miscellaneous	3,70,034	4,53,651	3,09,990	1,87,262	2,71,501	1,73,838	1,54,120
Adjustments between Central and Provincial Governments	9,89,150	17,70,891	15,96,837	12,52,688	13,51,447	9,51,593	9,49,637
Extraordinary Receipts ..	..	..	15,541	..	41,243	..	1,59,295
Receipts in England .. ..	..	..	..	..	..	..	240,625
TOTAL REVENUE RECEIPTS	9,87,82,603	9,85,40,059	10,13,28,601	10,32,30,329	10,70,60,052	10,50,35,388	10,81,29,705

BENGAL
Percentage

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28
Land Revenue	30.6	31.7	30.9	30.1	28.1	29.6	29.1
Excise	18.5	20.4	20.7	20.8	21.3	21.4	20.7
Stamps	27.7	30.7	31.3	32.6	33.4	31.6	32.1
Forests	1.9	2.3	2.2	2.4	2.7	3.0	3.1
Registration	2.6	2.5	2.4	2.5	3.6	3.7	3.7
Scheduled Taxes .. ..	..	2.5	2.3	2.1	1.9	1.6	1.8

PRESIDENCY REVENUE

1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
..	..	..	5,37,000	6,04,000	2,12,000	1,19,000	96,000	..
3,26,76,133	3,24,74,000	3,08,93,000	3,06,22,000	3,00,06,000	3,21,14,000	3,42,85,000	3,43,29,000	3,28,45,000
2,24,90,968	2,26,25,000	1,80,16,000	1,56,00,000	1,40,32,000	1,34,06,000	1,36,66,000	1,33,73,000	1,34,66,000
3,54,87,680	3,91,97,000	3,12,94,000	2,71,09,000	3,13,01,000	2,87,14,000	2,86,03,000	2,95,94,000	2,94,90,000
31,18,357	30,52,000	23,12,000	16,94,000	15,12,000	15,03,000	17,82,000	20,10,000	20,02,000
39,94,240	31,69,000	23,72,000	19,33,000	18,47,000	19,67,000	22,43,000	23,70,000	25,00,000
16,98,643	16,29,000	13,00,000	13,04,000	11,30,000	11,22,000	13,77,000	14,71,000	15,90,000
1,02,413	1,19,000	9,2000	76,000	81,000	28,000	..	53,000	49,000
-3,74,235	-5,73,000	-4,66,000	-2,69,000	-4,41,000	-3,04,000	-5,68,000	-1,72,000	-3,52,000
2,54,982	3,00,000	2,57,000	2,16,000	2,11,000	1,71,000	2,56,000	1,88,000	2,29,000
6,23,825	6,14,000	4,67,000	4,30,000	6,18,000	5,42,000	6,83,000	5,57,000	5,85,000
17,98,455	18,14,000	13,34,000	13,07,000	14,51,000	13,23,000	15,19,000	16,97,000	12,61,000
10,46,948	10,47,000	7,27,000	9,28,000	6,75,000	7,47,000	6,51,000	6,39,000	6,63,000
10,38,183	12,45,000	11,60,000	13,86,000	11,35,000	11,18,000	11,72,000	7,77,000	7,83,000
60,218	59,000	90,000	75,000	76,000	90,000	94,000	1,19,000	1,02,000
14,14,819	14,12,000	13,40,000	13,41,000	13,56,000	13,57,000	14,40,000	14,57,000	14,62,000
8,91,326	11,77,000	10,23,000	10,22,000	10,40,000	8,35,000	10,83,000	9,10,000	9,18,000
1,75,171	1,82,000	1,57,000	1,54,000	1,28,000	1,23,000	1,35,000	1,31,000	1,29,000
5,80,803	6,08,000	6,16,000	5,81,000	6,30,000	6,03,000	5,74,000	6,53,000	6,90,000
7,02,203	6,75,000	6,87,000	7,11,000	7,12,000	9,23,000	8,97,000	11,83,000	11,50,000
27,383	23,000	19,000	19,000	15,63,000	12,88,000	14,61,000	19,52,000	22,10,000
5,53,745	5,25,000	10,37,000	17,35,500	15,76,000	12,49,000	13,77,000	16,69,000	26,38,000
89,000	47,000	36,000	1,12,000	48,000	10,000	1,66,000	61,000	51,000
2,17,583	1,13,000	1,57,000	1,48,000	1,30,000	1,22,000	1,21,000	1,34,000	1,27,000
1,55,903	5,45,000	5,16,000	4,52,000	4,94,000	4,89,000	4,54,000	4,79,000	4,50,000
8,27,580	9,98,000	9,39,000	8,19,000	14,72,000	7,40,000	421,000	20,24,000	27,85,000
..	..	..	..	2,14,000	..	1,59,68,000	1,68,78,000	1,70,29,000
48,938	5,06,000	2,17,000	58,000	2,10,000	85	1,92,000	1,13,000	1,00,000
1,65,878	5,000	42,000	6,000	-8,000	1,000	2,000	2,000	..
10,98,67,142	11,35,87,000	9,66,34,000	9,01,06,000	9,38,03,000	9,05,78,000	11,02,73,000	11,47,47,000	1,149,43,000

REVENUE

Distribution

1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
29.7	28.6	32.0	34.0	32.0	35.5	31.2	29.9	28.5
20.5	19.9	18.6	17.3	15.0	14.8	12.4	11.6	11.7
32.3	34.5	32.4	30.1	33.4	31.7	25.9	25.8	25.6
2.8	2.7	2.4	1.9	1.6	1.7	1.6	1.7	1.7
3.6	2.8	2.5	2.1	2.0	2.2	2.0	2.6	2.1
1.5	1.4	1.3	1.4	1.2	1.2	1.2	1.2	1.3

Heads of Expenditure	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28
Land Revenue	35,98,844	28,95,148	28,23,416	30,94,391	35,76,370	38,53,246	38,44,722
Excise	15,42,131	15,37,798	13,16,849	12,93,506	26,07,189	24,95,379	23,87,312
Stamps	7,67,125	8,56,825	10,30,445	9,47,542	8,67,988	8,43,355	8,93,029
Forest	13,04,515	12,45,835	12,68,297	14,17,472	12,60,970	14,11,893	14,40,769
Forest Capital outlay charged to Revenue .. .. .	..	..	..	..	43,257	3,22,866	2,61,686
Registration	15,64,405	17,57,260	17,79,126	18,08,139	18,73,391	18,75,963	20,70,395
Scheduled Taxes	93,892	19,900	15,781	15,000	15,000	15,000	15,000
Interest on works for which Capital Account kept	12,78,303	15,48,137	17,16,150	18,91,292	18,76,230	18,71,409	17,75,617
Irrigation, other Revenue expenditure financed from old Revenue	13,96,696	13,93,833	19,06,202	13,22,328	15,64,904	16,41,499	15,83,371
Irrigation—other revenue expenditure financed from famine relief grants	625	..	..	..	..	..	..
Construction of Irrigation, Navigation, Embankment and Drainage works	35,65,117	-21,37,095	1,46,068	3,77,921	-3,46,110	13,687	1,58,429
Interest on ordinary debt	-8,35,570	-7,91,552	-6,31,967	-8,38,051	-8,47,724	-7,47,965	-7,17,028
Interest on other obligations .. .. .	..	..	..	..	..	3,560	..
Reduction or avoidance of debt .. .. .	..	..	..	..	..	..	..
General administration.. .. .	109,35,053	117,93,988	116,52,706	111,81,249	115,30,177	117,73,268	117,47,612
Administration of Justice	103,65,526	111,77,408	106,78,074	106,87,408	108,58,020	108,30,409	108,48,090
Jails and Convict Settlements	37,65,677	35,44,033	32,41,514	32,06,980	31,04,640	32,18,989	33,99,781
Police	1,90,98,825	1,85,24,925	1,76,91,580	1,79,43,064	1,79,44,853	1,87,42,008	1,85,35,445
Ports and Pilotage	1,47,198	2,34,976	1,76,990	7,55,398	6,20,993	6,74,126	7,37,005
Scientific Depts.	16,457	22,470	31,996	25,010	25,920	56,520	26,970
Education	1,19,38,503	1,21,84,585	1,23,13,991	1,21,00,605	1,31,72,599	1,35,71,965	1,37,87,543
Commuted Pensions .. .. .	..	..	..	..	..	12,57,500	9,03,231
Medical	51,22,334	53,63,874	49,32,728	55,44,104	56,78,214	56,37,458	53,28,099
Public Health	23,34,395	24,89,377	23,94,441	28,34,468	23,84,755	33,47,332	29,88,139
Agriculture	20,44,574	20,96,355	18,98,704	18,00,271	19,49,564	21,61,568	22,02,068
Industries	11,25,788	12,09,544	9,59,473	9,34,423	11,24,148	11,20,829	11,45,286
Miscellaneous Depts.	2,06,654	2,53,509	2,32,740	4,51,555	2,27,561	2,50,872	2,37,580
Civil Works	1,41,88,857	1,01,38,084	92,97,782	95,53,590	1,10,43,398	1,11,72,507	1,01,06,743
Famine Relief	2,00,375	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	80,431
Superannuation allowances and pensions	44,07,155	43,847,12	48,48,913	50,65,883	60,19,926	54,43,073	64,94,623
Stationery and Printing	24,31,346	19,91,069	19,58,979	14,93,872	16,40,779	17,67,659	19,76,574
Miscellaneous	8,74,721	3,11,681	3,54,697	2,46,503	2,87,051	4,43,420	3,23,463
Expenditure (England).. .. .	61,64,813	30,77,189	24,81,611	22,59,153	27,60,701	30,83,000	40,29,324
Irrigation and other Capt. expenditure not charged to revenue	1,46,625	37,87,683	6,22,320	-1,440	-1,82,640	3,40,686	2,71,259

EXPENDITURE

1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
46,72,970	45,10,000	45,37,000	41,24,000	37,77,000	37,33,000	39,03,000	36,79,000	37,30,000
22,93,289	22,26,000	21,80,000	19,55,000	17,00,000	17,54,000	16,60,000	17,88,000	18,53,000
8,99,929	6,22,000	5,23,000	4,10,000	4,61,000	4,30,000	4,88,000	4,80,000	5,24,000
15,77,941	15,48,000	15,18,000	14,97,000	14,48,000	14,19,000	14,70,000	15,21,000	15,12,000
1,04,252	1,17,000	77,000	1,64,000	61,000	23,000	20,000	26,000	23,000
20,24,754	22,13,000	19,95,000	18,94,000	17,47,000	17,51,000	17,70,000	18,48,000	18,82,000
15,000	15,000	16,000	15,000	15,000	5,000	5,000	11,000	8,000
18,53,706	18,23,000	17,38,000	18,23,000	18,04,000	18,10,000	22,00,000	22,05,000	22,48,000
15,59,470	13,48,000	12,05,000	10,59,000	10,69,000	12,95,000	11,05,000	11,63,000	10,32,000
..	1,000	1,000	..	..	..	..	..	..
2,80,933	2,42,000	1,31,000	20,000	3,000	2,000	7,000	6,000	..
-7,92,662	-8,55,000	-7,00,000	-6,74,000	4,81,000	9,77,000	15,62,000	15,97,000	15,62,000
782	8,000	..	9,000	2,000	7,000	2,000	..	4,000
..	6,79,000	7,23,000	7,76,000	8,66,000	38,000	40,000	10,86,000	12,00,000
120,56,151	124,33,000	1,25,20,000	123,29,000	1,17,12,000	1,21,53,000	1,21,47,000	1,29,21,000	1,43,87,000
106,46,003	107,01,000	1,05,20,000	1,01,68,000	94,14,000	95,56,000	94,57,000	97,07,000	99,18,000
32,75,460	34,45,000	44,38,000	36,91,000	40,40,000	43,49,000	43,62,000	44,28,000	4,40,8000
1,95,89,350	2,09,16,000	2,20,89,000	2,20,95,000	2,19,47,000	2,22,72,000	2,24,68,000	2,28,84,000	2,34,68,000
5,96,089	5,05,000	5,13,000	4,32,000	4,64,000	4,61,000	5,66,000	5,09,000	4,88,000
26,560	27,000	34,000	34,000	29,000	28,000	31,000	29,000	30,000
1,40,27,042	1,43,65,000	1,41,81,000	1,33,80,000	1,26,28,000	1,26,50,000	1,27,59,000	1,30,40,000	1,32,83,000
8,76,486	26,36,000	13,07,000	6,22,000	3,28,000	..	..	..	..
55,03,335	55,69,000	52,84,000	51,52,000	48,36,000	48,79,000	48,21,000	49,19,000	51,95,000
33,48,314	35,45,000	37,27,000	38,24,000	36,84,000	37,36,000	36,01,000	35,99,000	36,98,000
25,14,122	25,32,000	25,65,000	25,38,000	23,51,000	23,75,000	23,53,000	23,75,000	26,00,000
12,04,237	12,33,000	12,19,000	11,59,000	10,96,000	11,67,000	11,84,000	14,83,000	14,76,000
2,03,214	2,40,000	2,37,000	2,27,000	2,03,000	2,02,000	2,14,000	2,13,000	5,26,000
97,31,993	94,55,000	1,01,51,000	88,44,000	76,24,000	76,20,000	80,24,000	86,72,000	10,697,000
3,97,085	46,000	35,000	2,33,000	48,000	10,000	1,73,000	2,33,000	2,00,000
44,59,641	44,96,000	45,22,000	49,48,000	52,14,000	55,52,000	59,61,000	62,01,000	87,95,000
20,49,938	23,43,000	22,18,000	20,93,000	18,64,000	19,04,000	18,61,000	20,21,000	19,35,000
2,75,584	2,44,000	3,66,000	10,38,000	18,30,000	19,21,000	23,97,000	22,62,000	23,07,000
37,90,141	41,21,000	41,16,000	41,73,000	40,36,000	39,87,000	41,90,000	42,11,000	..
..

BENGAL

	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28
Civil Works not charged to revenue .. ..	..	..	..	..	7,47,427	6,95,797	4,75,276
Contribution to Central Government	1,55,05,000	..	..	..	..	..	..
Adjustment between Central and Provincial Governments	33,426	42,559	12,008	..	41,734	..	..
TOTAL	12,53,29,385	10,11,54,108	9,78,06,974	11,76,11,636	10,36,71,285	10,93,88,878	10,81,00,345

BENGAL

Percentage

Heads	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28
General Administration ..	8·7	11·6	11·9	9·5	11·1	10·8	10·9
Administration of Justice	8·3	11·0	10·9	9·1	10·5	9·9	10·0
Jails and Convict Settlements	3·0	3·5	3·3	2·7	3·0	2·9	3·1
Police	15·2	18·3	18·1	15·3	17·3	17·1	17·1
Scientific Depts.	0·01	0·02	0·03	0·02	0·03	0·1	0·02
Education	9·5	12·0	12·6	10·2	12·7	12·4	12·8
Medical	4·1	5·3	5·0	4·7	5·5	5·2	4·9
Public Health	1·9	2·5	2·4	2·4	2·3	3·1	2·8
Agriculture.. ..	1·6	2·1	1·9	1·5	1·9	2·0	2·0
Industries	0·9	1·2	1·0	0·8	1·1	1·0	1·1
Civil Works	1·3	10·0	9·5	8·1	10·7	10·2	9·3
Famine Relief	0·2	0·2	0·2	0·2	0·2	0·2	0·1
Superannuation allowances and Pensions	3·5	4·3	5·0	4·3	5·8	5·0	6·0

EXPENDITURE—(continued)

1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
..
..
..
10,90,61,109	11,33,49,000	11,40,86,000	11,00,52,000	10,67,82,000	10,81,66,000	11,08,01,000	11,51,17,000	11,90,77,000

Note.—The Total for 1927-28 includes Rs. 12,57,499 as payment of Commuted Value of Pensions.

EXPENDITURE

Distribution

1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
11.1	11.0	11.0	11.2	11.0	11.2	11.0	11.2	12.0
9.8	9.4	9.3	9.2	8.8	8.9	8.3	8.4	8.3
3.0	3.0	3.9	3.4	3.8	4.0	3.9	3.8	3.7
18.0	18.5	19.3	20.1	20.5	20.5	20.2	19.9	19.7
0.02	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.02
12.8	12.6	12.4	12.2	11.8	11.7	11.5	11.3	11.5
5.0	4.9	4.6	4.7	4.5	4.5	4.4	4.3	4.3
3.1	3.1	3.3	3.5	3.5	3.5	3.2	3.1	3.1
2.3	2.2	2.2	2.3	2.2	2.2	2.1	2.1	2.1
1.1	1.1	1.1	1.1	1.0	1.1	1.1	1.3	1.2
8.9	8.3	8.8	8.0	7.1	7.0	7.2	7.5	8.9
0.4	0.04	0.03	0.2	0.04	0.01	0.2	0.2	0.2
4.1	4.0	4.0	4.5	4.9	5.1	5.4	5.4	7.3

ASSAM

ASSAM

Heads of Revenue	1921-22	1922-23	1923-24	1924-25	1925-26
Taxes on Income	328,874	115,130	416,085	554,226	528,599
Salt .. .. .	..	..	..	..	..
Land Revenue	9,617,158	9,201,794	10,329,142	10,513,655	10,710,584
Excise	5,957,950	5,412,982	6,049,783	6,595,938	7,381,956
Stamps	1,522,954	1,807,978	1,983,787	2,065,412	2,221,782
Forests	1,321,791	1,713,853	1,974,291	2,478,756	3,039,140
Registration	124,912	1,333,406	178,288	186,750	213,245
Miscellaneous Railway Re- ceipts	-34,081	-13,927	-11,994	14,420	18,746
Navigation Embankment etc. .. .. .	..	..	..	2,222	10,544
Interest	44,881	99,002	86,892	60,766	79,915
Administration of Justice ..	134,201	165,141	163,063	172,843	171,792
Jails & Convict Settlements	128,120	116,365	117,082	118,693	101,590
Police	87,129	311,378	142,723	283,360	215,843
Ports & Pilotage	3,000	..	744	156	23,267
Education	192,321	2,03,936	243,390	244,995	255,076
Medical	19,127	20,769	20,167	57,902	22,893
Public Health	66,661	66,125	142,159	64,801	87,572
Agriculture	12,382	17,927	15,587	16,833	29,698
Industries	2,673	21,021	5,249	5,736	5,075
Miscellaneous Depts.	2,511	640	1,776	1,094	113
Civil Works	317,421	451,907	432,413	559,166	450,771
Receipts in aid of Super- annuation	72,596	59,975	115,333	24,544	30,217
Stationery and Printing	7,619	13,213	9,904	7,787	7,731
Miscellaneous	62,387	25,604	168,519	466,412	29,7057
Extraordinary Receipts .. ..	..	..	10,950	11,492	11,931
Appropriation for Reduction or Avoidance of Debt .. ..	..	..	..	..	..
Government Press Deprecia- tion Fund .. .. .	..	..	..	..	..
Civil deposits .. .. .	..	..	-1,500,000	-1,500,000	-900,000
Provincial Loans & Advances	229,804	420,640	421,803	515,328	114,136
Subvention from Central Road Development Account .. ..	..	..	..	..	71
High Commissioner .. .. .	..	..	..	..	..
Secretary of State .. .. .	..	..	..	34	..
Suspense Accts. .. .. .	..	..	..	..	..
Miscellaneous Adjustments between Central and Pro- vincial Governments	-339,154	..	3,467	52,160	1,135
TOTAL	18,393,237	20,147,576	21,541,069	25,903,087	29,533,559

ASSAM

REVENUE

1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
492,008	562,205	663,068	552,716	433,564	242,031	169,170
..	..	..	..	..	64,400	72,500
10,672,042	11,279,242	11,713,500	12,073,930	11,525,788	12,082,622	11,792,506
7,192,717	7,094,187	6,638,428	6,622,645	6,837,301	5,233,623	4,042,191
2,356,248	2,349,985	2,201,295	1,998,379	1,949,244	1,915,663	1,800,572
3,167,124	3,613,460	3,767,873	3,520,008	2,263,077	1,927,521	1,616,405
227,645	2,30,045	232,496	209,337	196,676	192,253	1,63,107
9,993	12,493	491	..	..	..	40
7,372	35	1	-406	52	26	30
101,273	159,235	156,732	273,399	95,150	110,609	112,458
189,953	213,575	217,103	207,322	200,402	195,159	179,594
106,300	88,011	84,339	82,120	73,172	57,772	62,576
185,133	185,964	201,465	218,110	264,875	275,601	180,144
897	16	..	..	161	..	..
258,539	256,554	290,645	312,016	297,206	303,013	308,412
19,210	32,326	203,524	202,557	201,783	205,008	190,932
62,557	97,565	89,514	97,295	91,395	84,082	80,316
22,912	23,846	119,271	140,293	135,479	112,833	100,979
7,485	6,808	6,281	4,304	6,565	12,987	7,327
168	824	1,547	6,930	39,405	33,191	27,631
430,454	421,007	468,123	447,572	589,929	792,252	955,361
28,024	19,464	29,750	16,546	27,675	29,829	13,884
11,191	32,412	21,850	46,260	41,935	43,989	49,925
294,622	242,745	259,526	161,734	171,221	87,998	40,389
12,056	12,509	..	..	..	..	..
..	..	..	..	..	34,635	178,701
6,692	6,067	13,150	10,488	7,640	6,179	489
-1,500,000	..	..	..	..	..	..
126,780	138,113	231,562	246,535	908,767	670,715	742,165
70	67	101	..	2,77,000	270,901	376,691
..	..	8,426	838	645	1,050	298
..	..	..	28,750	519	1,523	..
..	..	..	..	7,634	19,324	17,185
5,356	..	..	200,000	4,250,000	3,175,000	1,520,000
32,526,974	33,458,590	27,615,061	27,680,570	29,894,260	2,81,81,789	24,801,987

ASSAM REVENUE—(continued)

Heads	1933-34	1934-35	1935-36	1936-37
Taxes on Income	1,71,584	3,22,667	325	325
Salt	25,400	14,300	14	15
Land Revenue	11,070,273	11,811,245	12,218	12,313
Excise	3,460,543	3,205,420	3,521	3,371
Stamps	1,725,996	1,720,873	1,720	1,720
Forests	1,457,052	1,430,413	1,355	1,355
Registration	1,55,004	1,59,357	166	166
Miscellaneous Railway Receipts	40	..	..	..
Navigation, Embankment etc. ..	..	1	..	..
Interest	66,577	28,200	60	58
Administration of Justice ..	1,90,978	1,59,527	185	185
Jails and Convict Settlements ..	59,269	54,537	60	60
Police	1,62,348	1,61,099	162	162
Ports and Pilotage	196	..	..	..
Education	3,25,445	3,44,228	371	371
Medical	1,81,530	1,88,058	167	167
Public Health	87,110	92,168	106	106
Agriculture	99,986	1,01,549	113	113
Industries	6,544	4,175	25	25
Miscellaneous Depts.	27,551	33,091	69	69
Civil Works	6,63,375	8,60,302	1,921	2,044
Receipts in aid of Superannuation ..	17,592	19,998	20	21
Stationery and Printing	46,610	43,657	46	43
Miscellaneous	84,017	89,771	90	90
Extraordinary Receipts .. .. .	..	469	..	..
Appropriation for Reduction of				
Avoidance of Debt	2,81,051	..	..	..
Government Press Depreciation				
Fund	1,363	8,159	..	..
Civil deposits	23,000	50,450	..	..
Provincial Loans and Advances ..	4,50,203	3,150,000	..	..
Subvention from Central Road				
Development Acct.	2,65,226	3,12,962	..	..
High Commissioner	273	504	..	..
Secretary of State .. .. .	..	..	..	..
Suspense Accounts	17,805	17,754	..	..
Miscellaneous Adjustments between				
Central and Provincial Govern-				
ments	3,131,000	8,54,000	912	888
TOTAL	24,252,941	26,289,339	23,622	23,667

ASSAM REVENUE

Percentage Distribution

Heads	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Taxes on Income	1.7	.5	1.9	2.2	1.7	1.5	1.6	2.4	1.9	1.4	.8	.6	.7	1.2	1.3	1.3
Salt .. ..	..	..	..	..	..	..	..	..	..	..	.2	.2	.1	.05	.05	.06
Land Revenue	52.2	45.7	48.0	40.5	36.3	32.8	33.6	42.4	43.5	38.5	42.8	47.5	45.9	44.9	51.7	52.1
Excise	32.3	26.9	28.1	26.2	25.0	22.1	21.1	24.0	23.9	22.8	18.5	16.2	14.2	12.1	14.9	14.2
Stamps	8.2	8.9	9.2	7.9	6.8	7.2	7.0	7.9	7.2	6.5	6.7	7.2	7.1	6.5	7.2	7.2
Forests	7.1	8.5	9.1	9.5	10.3	9.7	10.7	13.6	12.7	7.5	6.7	6.5	5.9	5.4	5.7	5.7
Registration .. ..	.6	6.6	.8	.7	.7	.6	.6	.8	.7	.6	.6	.6	.6	.6	.7	.7

ASSAM EXPENDITURE

Percentage Distribution

	1920-21	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Police	15.1	12.5	14.7	9.3	10.0	10.1	9.4	10.0	9.5	8.3	10.1	9.8	10.4	11.1	11.2	6.2	6.0
Education	9.7	10.3	11.0	11.7	11.7	10.8	10.2	10.9	10.6	9.8	11.1	11.1	12.2	12.7	12.0	0.4	0.4
Medical	3.7	4.2	4.5	4.8	4.2	4.5	4.2	4.2	4.7	3.9	4.3	4.5	4.7	4.4	5.0	2.8	2.6
Public Health	1.9	2.8	2.5	2.3	2.5	4.1	3.5	4.4	2.7	2.5	2.5	2.3	2.4	2.6	2.5	1.4	1.4
Agriculture	1.6	2.1	1.9	2.0	1.9	2.01	1.9	2.0	2.3	2.3	2.6	2.6	2.7	2.6	2.6	1.5	1.5
Industries .. ..	..	.3	.4	.4	.4	.5	.5	.6	.7	.6	.6	.6	.6	.6	.7	.4	.4

Heads of Expenditure	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28
Land Revenue	13,31,306	14,72,226	15,71,252	16,29,555	17,30,972	18,10,847	19,09,556
Excise	2,31,507	2,27,207	1,87,702	1,74,504	13,87,692	10,98,603	7,98,366
Stamps	59,607	71,255	93,040	92,429	89,930	92,435	97,267
Forests	10,01,315	11,19,044	11,59,845	13,30,853	14,78,965	13,42,777	12,93,492
Forest Capital outlay charged to Revenue .. ..	..	..	..	..	89,018	1,03,046	1,14,730
Registration	1,13,107	1,16,766	1,31,287	1,32,270	1,32,892	1,41,116	1,51,658
State Railway	42,791	45,994	45,650	26,888	48,934	48,064	47,369
Subsidised Companies ..	32,922	28,879	23,343	19,129	16,283	8,911	8,911
Miscellaneous Railway Expenditure	898	4,944	3,165	-8,700	12,020	2,527	854
Construction of Railways ..	89,805	-27,613	-22,009	57,770	31,696	-24,443	-3,373
Navigation, Embankments, etc.	60,525	53,292	68,357	73,763	77,814	64,217	97,433
Interest on Ordinary Debt..	-42,791	-50,405	66,119	-64,710	-67,951	-67,010	-75,365
Appropriation for Reduction or avoidance of debt ..	..	..	..	..	..	..	..
General Administration ..	27,00,890	25,92,936	26,12,109	24,16,686	24,69,590	25,62,204	25,50,184
Administration of Justice ..	7,19,567	9,08,958	8,20,634	8,78,919	8,74,917	9,06,731	9,37,530
Jails and Convict Settlements	4,68,318	4,98,052	4,69,962	4,28,110	4,46,441	4,72,284	4,75,334
Police	28,31,926	30,68,707	18,01,727	21,50,741	23,45,560	24,80,347	25,99,647
Ports and Pilotage	75,119	68,638	50,294	67,559	37,847	36,733	52,984
Scientific Depts.	78,892	44,314	14,714	10,700	10,879	13,099	11,860
Education	23,28,122	22,99,967	22,64,688	23,91,208	25,11,471	26,68,906	28,38,460
Medical	9,59,039	9,54,706	9,35,522	9,22,877	10,55,258	11,13,186	11,09,244
Public Health	6,46,756	5,38,825	4,52,356	5,48,673	9,48,472	10,20,747	11,51,385

EXPENDITURE

1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
19,06,676	20,55,332	21,88,652	20,60,512	18,81,753	17,81,244	17,31,447	17,31,000	16,88,000
9,59,766	9,14,867	8,48,116	6,00,057	6,09,026	5,13,327	4,94,626	5,35,000	5,40,000
94,430	63,619	58,601	46,507	40,410	39,974	39,802	41,000	41,000
19,52,666	20,42,992	19,50,806	15,46,738	13,65,641	11,63,618	11,30,260	11,32,000	11,75,000
1,69,700	1,77,310	1,65,783	66,364	44,582	33,447	42,647	36,000	43,000
1,56,925	1,74,495	1,69,970	1,60,533	1,47,466	1,46,021	1,47,510	1,57,000	1,57,000
47,284	48,275	49,763	49,762	48,274	46,291	44,308	44,000	44,000
8,911	8,911	8,911	..	..	..	..	..	..
1,742	2,197	1,551	848	65	..	..	..	..
-35	..	..	..	..	..	..	..	..
1,13,274	90,088	71,025	62,788	46,118	55,531	60,579	66,000	66,000
-85,666	-1,01,844	-64,579	2,07,296	2,98,903	3,42,298	4,54,083	5,93,000	6,95,000
..	..	..	34,635	1,78,701	2,81,051	..	10,16,000	10,10,000
26,36,259	27,25,017	27,35,927	26,06,349	24,39,336	24,80,306	24,61,342	27,89,000	30,50,000
10,90,093	11,56,738	11,67,613	11,49,865	9,20,846	8,67,897	9,86,898	11,57,000	10,27,000
4,97,339	5,11,642	5,42,997	4,97,003	4,76,010	4,77,640	5,08,971	5,01,000	5,51,000
26,98,097	27,74,375	30,20,384	27,86,208	25,94,883	27,16,725	29,53,518	29,74,000	32,28,000
52,529	42,048	30,112	21,296	29,186	21,809	16,910	20,000	22,000
11,168	11,933	11,100	11,103	3,599	2,679	2,830	4,000	3,000
30,00,270	32,74,116	33,40,161	31,39,498	30,44,785	30,90,856	31,68,988	33,47,000	34,93,000
13,28,457	13,04,591	13,11,299	12,89,108	11,84,095	11,71,099	13,31,573	13,89,000	13,93,000
7,77,282	8,37,787	7,63,375	6,53,866	6,09,851	6,31,623	6,68,716	7,01,000	7,68,000

Heads of Expenditure	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28
Agriculture	4,75,798	4,12,165	3,99,862	4,12,270	4,65,217	5,19,608	5,38,327
Industries	88,998	89,417	83,902	92,815	1,39,025	1,48,488	1,81,311
Miscellaneous Depts. ..	18,573	13,292	19,597	17,374	16,894	23,712	17,221
Civil Works	42,09,228	40,89,492	37,40,246	37,51,202	39,71,130	49,63,508	58,05,003
Famine Relief and In- surance	19,143	14,036	10,000	10,000	10,000	10,000	10,000
Superannuation Allowances and Pensions	6,84,970	6,32,918	6,66,639	9,66,422	9,84,210	9,21,158	6,26,235
Stationery and Printing ..	3,80,430	4,88,827	2,54,760	1,97,229	3,30,964	5,41,602	4,16,831
Miscellaneous	5,29,390	4,82,637	5,70,309	7,67,928	4,81,425	4,79,285	3,96,747
Extraordinary charges ..	..	..	..	..	34,457	..	..
Forest Capital outlay ..	..	1,35,719	1,04,251	1,26,476	27,105	28,821	29,140
Civil Works not charged to Revenue .. .. .	..	..	..	..	..	..	..
Payment of Commuted Value of Pensions .. ..	..	..	..	..	..	1,59,775	1,99,457
Payment of Gratuities to Retrenchment personnel ..	..	..	..	..	..	..	..
Subvention from Central Land Development Fund ..	..	..	..	..	..	..	..
Provincial Expenditure in England :—							
Secretary of State	16,870	15,945	16,306	28,684	35,655	1,43,285	43,987
High Commissioner	3,38,090	2,80,129	4,90,410	4,85,604	6,76,624	6,75,045	9,19,376
Provincial Loans and Ad- vances	3,85,964	90,378	1,07,424	77,538	1,53,750	1,51,218	4,45,033
Depreciation Fund—Govt. Press .. .. .	..	..	..	..	..	..	..
Civil Deposits .. .. .	..	..	..	..	..	..	..
		Govt. Acct. Provincial					
Suspense Account	16,54,741	=525=	..	12,67,251	..	..	..
Advance from Provincial Loans Fund .. .. .	..	..	..	..	..	..	..
TOTAL	2,25,63,550	2,07,73,172	1,02,13,463	2,15,00,017	2,30,55,156	2,61,60,832	2,58,26,194

EXPENDITURE—(continued)

1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
6,69,835	7,90,272	7,99,826	7,37,251	6,76,887	6,47,091	6,92,752	7,54,000	8,16,000
2,06,301	2,14,396	1,96,238	1,79,448	1,62,455	1,62,187	1,74,763	2,13,000	2,30,000
21,445	19,917	46,362	38,472	38,743	29,548	30,776	75,000	97,000
67,64,329	77,17,334	57,57,938	41,18,610	39,86,651	38,76,401	45,51,987	58,61,000	64,70,000
..	2,59,141	16,815	11,004	1,767	4,677	38,238	7,000	5,000
6,27,134	7,17,334	8,09,803	8,87,516	10,58,071	12,02,205	13,69,882	20,84,000	22,68,000
4,21,720	4,31,259	3,93,700	3,30,201	3,06,259	2,96,944	2,72,698	3,06,000	3,16,000
4,36,192	4,47,079	4,38,597	4,35,272	4,06,783	4,01,599	6,14,384	7,76,000	8,22,000
..	..	..	..	4,822	55,108	21,658	6,000	..
7,336	88,254	21,200	342	9,151	6	2,337	..	..
..	2,72,687	25,46,811	26,16,261	4,33,896	36	..	..	..
3,28,352	50,552	2,56,327	3,89,277	46,017	1,20,061	2,76,520	..	..
..	..	..	..	4,019	30,955	1,342	..	..
..	..	96,767	2,51,553	4,39,493	1,78,948	3,78,086	..	..
77,331	1,40,494	95,428	96,043	98,541	1,01,379	1,09,600	..	..
8,75,379	9,20,013	9,66,636	9,48,731	9,43,234	9,46,337	9,95,099	..	..
1,99,504	64,294	6,37,687	97,997	12,757	29,187	4,05,606	..	..
..	1,438	10,258	1,551	18,925	..	4,104	..	..
..	..	..	..	..	21,025	56,212	..	..
..	28,167	8,453	19,089	16,173	18,542	17,725	..	..
..	..	2,691	34,635	1,78,701	2,81,051	..	..	..
2,80,52,025	3,32,77,120	2,98,94,260	2,81,83,589	2,48,06,075	2,42,66,639	2,62,58,687	4,87,80,000	5,18,87,000

Heads of Revenue	1924-25	1925-26	1926-27	1927-28	1928-29
Taxes on Income	435	338	306	331	315
Salt .. .. .	..	..	..	..	..
Land Revenue	16,655	16,512	16,350	16,726	17,366
Excise	17,100	19,800	20,000	19,500	19,200
Stamps	10,000	10,500	10,600	10,952	11,150
Forests	984	983	984	1,072	1,066
Registration	1,350	1,470	1,470	1,700	1,725
Irrigation, Navigation, Embankment and Drainage works for which capital accounts are kept	1,639	1,717	1,739	1,825	1,632
Irrigation, Navigation etc. for which no capital accounts are kept	159	148	111	106	115
Interest	558	714	931	727	705
Administration of Justice	470	446	435	520	555
Jails and Convict Settlement	569	578	529	516	717
Police	217	195	140	179	174
Ports and Pilotage .. .. .	..	..	..	..	..
Education	625	540	547	628	696
Medical	502	778	415	182	185
Public Health	132	20	19	27	98
Agriculture	167	170	182	218	266
Industries	18	26	30	87	239
Miscellaneous Depts.	65	31	..	3	3
Civil Works	605	650	650	630	582
Transfers from Famine Relief Fund .. .. .	..	..	..	..	..
Receipts in aid of Superannuation	342	624	360	121	162
Stationery and Printing	100	110	115	95	100
Miscellaneous	365	445	387	391	430
Miscellaneous Adjustments between Central and Provincial Governments	70	22	33	..	..
Extraordinary Receipts	21	..	..	..	..
TOTAL REVENUE	53,148	56,817	56,333	56,536	57,481

BIHAR AND ORISSA REVENUE

Percentage distribution

Heads	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Excise	36	34	32	32	27	23.5	23.7	24.9	25.5	25.9	25.8	
Land Revenue	29	29	30	29.9	34	33.9	35.8	35.6	33.5	32.3	29.4	
Stamps	19	19	19	18.7	20.4	20.3	21.1	21.4	20.7	21.1	22.0	
Irrigation	3	3	3.6	3	3.3	4.1	4.5	4.2	4.7	4.0	4.3	
Registration	3	2	2.9	2.9	2.7	2.5	2.5	2.5	2.6	2.5	2.6	
Other minor heads	10	13	12.5	13.5	12.6	15.7	12.4	11.4	13	14.2	15.9	

ORISSA REVENUE

Thousands of Rupees)

1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
450	420	280	267	125	137	80	73
..	..	402	350	150	100	63	63
17,703	18,329	17,770	17,820	17,791	18,000	17,911	13,848
19,277	15,000	12,000	12,061	12,200	13,400	14,363	12,174
11,050	11,032	10,500	10,650	11,150	11,150	11,687	10,350
992	918	613	641	684	864	836	608
1,675	1,566	1,300	1,270	1,326	1,390	1,429	1,258
1,469	1,574	1,697	1,999	1,807	2,146	2,124	1,958
109	110	107	99	97	90	112	85
780	773	522	535	485	458	695	776
528	522	538	567	494	459	440	410
716	641	560	423	357	339	375	384
192	178	165	181	173	184	189	185
..	..	..	2	..	..	5	..
700	739	716	734	724	713	741	606
203	209	259	211	212	210	219	210
91	128	153	155	164	214	245	197
300	260	200	226	227	267	447	413
303	86	92	369	215	232	362	353
1	31	39	35	30	31	33	128
570	675	887	1,079	948	1,076	1,225	1,042
800	..	2,000	..	..	462	..	..
124	138	116	93	106	105	106	208
247	260	236	250	241	234	257	339
579	662	367	337	354	346	288	356
..	..	..	..	..	1,133	1,164	1,000
..
58,859	54,251	51,519	50,354	50,060	53,740	55,396	47,024

BIHAR AND ORISSA EXPENDITURE

Percentage distribution

Heads	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Land Revenue	17.5	17.5	16.6	17.4	16.6	16.6	17.1	17.1	17.1	17.7	16.1	13.6
General Administration and Famine .. .. .	..	..	..	..	..	..	..	..	..	..	..	1
Police	14	10	14	14.4	13.9	14.5	15.4	16.5	16.5	16	15.2	12.8
Education	15	15	14.8	14.9	15.1	15.2	15.9	15.5	16.2	15.5	15.2	12.6
Medical and Public Health..	9	9	7	7	8.5	7.2	6.7	6.6	7.2	6.9	7.0	6.0
Civil Works	14	14	14	13	14.1	13.3	10.5	8.6	7.6	8.7	9.7	8.6
Irrigation	4	4	4.7	4.4	3.9	4.3	4.8	4.9	4.8	4.8	4.2	2.6
Agriculture, Industries and Scientific Departments ..	4	4	4	4.3	4.5	4.4	4.3	4.2	4.3	4.3	4.5	4.2
Jails, Justice and Stamps ..	9.5	9.5	10.7	11	10.3	11.5	11	11.8	11.4	11.1	11.9	9.7
Excise	3	3	3.2	3	3.1	3	2.8	2.9	2.9	3.1	3.1	2.7
Forests	2	2	1	1.5	1.6	1.6	1.5	1.4	1.4	1.2	1.5	.9
Registration	1	1	1	1	1.1	1.1	1.1	1.2	1.2	1.2	2.5	2.6

(Figures in

Heads of Expenditure	1924-25	1925-26	1926-27	1927-28	1928-29
Salt .. .. .	..	..	..	..	..
Land Revenue	2,188	2,155	2,277	2,390	2,832
Excise	1,012	2,269	2,047	1,926	1,826
Stamps	332	297	298	309	322
Forests	859	725	1,002	744	789
Forest Capital Outlay charged to Revenue .. .. .	..	130	160	133	142
Registration	562	599	621	641	634
Interest on Irrigation Works for which Capital account is kept	2,040	2,040	2,042	2,044	2,041
Irrigation Revenue account—Other Revenue expenditure financed from ordinary Revenue	487	469	586	600	461
Other revenue expenditure financed from Famine Insurance grants	13	8	13	5	..
Irrigation Capital Account—Construction of Irrigation	16	27	27	7	5
Embankment and Drainage Works .. .. .	..	..	..	..	..
Interest on Ordinary Debt	354	343	235	193	129
Interest on other obligations .. .. .	..	2	..	..	..
Appropriation for reduction or avoidance of debt .. .. .	..	..	..	..	..
General Administration	7,095	7,004	7,237	7,157	7,370
Administration of Justice	3,735	3,798	3,826	4,022	4,198
Jails and Convict Settlements	1,659	1,750	1,855	1,956	2,143
Police	8,196	8,263	8,396	8,320	8,397
Ports and Pilotage	1	1	1	..	..
Scientific Depts.	33	35	42	49	47
Education	6,803	7,656	9,318	8,755	8,753
Medical	2,706	2,873	3,606	2,761	2,861
Public Health	1,047	1,350	1,851	1,388	1,538
Agriculture	1,114	1,254	1,412	1,491	1,533
Industries	713	837	850	867	1,024
Miscellaneous Depts	75	46	36	42	43
Civil Works	6,952	7,699	8,678	9,033	7,885
Famine	1,137	1,113	1,104	1,147	32
Superannuation Allowances and Pensions	1,995	2,419	2,323	2,503	2,820
Commutation of Pensions financed from ordinary Revenue .. .. .	..	..	..	—60	152
Stationery and Printing	1,167	961	986	906	868
Miscellaneous	150	226	306	141	415
Contributions to the Central Government by Provincial Government .. .. .	..	..	..	..	..
Miscellaneous Adjustments between Central and Provincial Governments	5	21	24	1	..
Extraordinary charges .. .. .	..	..	..	..	..
TOTAL EXPENDITURE CHARGED TO REVENUE	52,446	56,370	61,159	59,421	59,260

EXPENDITURE

Thousands of Rupees)

1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
..	..	..	..	..	2	1	..
2,661	2,558	2,260	1,953	1,754	1,641	1,477	1,161
1,843	1,811	1,544	1,466	1,475	1,663	1,715	1,306
271	272	237	207	2,06	205	213	186
800	825	766	677	6,95	661	791	525
137	166	69	17	21	24	54	24
647	656	622	579	616	620	660	550
2,046	2,046	2,045	2,045	2,041	2,047	2,034	1,148
262	359	370	228	220	499	371	123
..
4	1	1	..	..	-10	..	..
99	79	59	76	49	110	378	507
37	86	85	97	86	87	102	78
45	48	51	55	63	69	571	105
7,479	7,580	7,114	6,624	6,926	7,167	7,445	6,416
4,109	4,156	4,018	3,740	3,813	3,832	4,009	3,582
2,054	2,601	1,786	1,946	1,794	1,803	1,898	1,680
8,490	8,761	8,467	8,355	8,432	8,449	8,510	7,195
..	..	..	..	..	..	4	..
44	45	39	30	31	31	43	35
9,218	9,289	8,695	7,798	8,180	8,223	8,511	7,045
3,036	2,978	2,716	2,485	2,624	2,648	2,655	2,202
2,207	1,886	1,024	915	1,053	1,037	1,299	1,179
1,607	1,603	1,457	1,286	1,349	1,411	1,609	1,488
1,149	1,108	826	823	799	821	987	875
46	70	84	72	68	68	65	133
8,671	8,098	6,105	4,421	4,206	4,659	5,485	4,834
10	10	5	8	57	577	106	48
2,812	3,106	3,161	3,384	3,677	3,940	4,021	3,429
143	67	355	..	..	..	..	305
930	952	890	807	720	706	816	795
278	170	173	119	113	124	267	266
..
..
..	..	..	36	23	21	7	7
61,135	61,357	55,024	50,249	51,091	53,143	56,095	48,173

**PUN
PUNJAB**

Heads of Revenue	1925-26	1926-27	1927-28	1928-29	1929-30
Taxes on Income	4,94,000	5,12,000	4,23,000	3,65,000	4,05,000
Net Land Revenue	2,84,21,000	2,90,00,000	2,84,63,000	3,05,22,000	2,82,07,000
Excise	1,14,00,000	1,17,04,000	1,09,06,000	1,26,12,000	1,30,01,000
Stamps	1,11,80,000	1,20,00,000	1,08,00,000	1,21,85,000	1,21,30,000
Forests	40,00,000	43,57,000	41,54,000	37,50,000	35,14,000
Registration	8,70,000	8,95,000	9,56,000	9,50,000	9,21,000
Net Irrigation Receipts works for which Capital Accounts are kept	4,50,01,000	4,68,08,000	4,66,44,000	4,20,22,000	4,49,39,000
Irrigation for which no Capital Accounts are kept ..	4,84,000	4,79,000	98,000	84,000	74,000
Interest	6,42,000	9,35,000	11,08,000	8,27,000	10,05,000
Administration of Justice ..	9,70,000	10,62,000	10,97,000	10,79,000	10,88,000
Jails and Convict Settlements	4,83,000	4,83,000	4,95,000	5,48,000	4,14,000
Police	1,80,000	1,28,000	1,29,000	1,51,000	1,94,000
Miscellaneous Depts.	68,000	2,31,000	2,36,000	2,51,000	3,04,000
Education	11,50,000	13,39,000	13,29,000	14,22,000	14,43,000
Medical	2,44,000	2,66,000	2,51,000	8,17,000	8,26,000
Public Health	1,22,000	2,18,000	2,19,000	4,15,000	1,27,000
Agriculture	8,96,000	7,29,000	10,21,000	10,62,000	10,99,000
Industries	32,000	1,05,000	92,000	1,11,000	1,14,000
Civil Works	3,72,000	4,61,000	4,40,000	6,05,000	6,51,000
Net Hydro-Electric Scheme. .	..	..	..	..	..
Transfers from Famine Relief Fund .. .. .	..	..	..	..	1,50,000
Receipts in Aid of Superan- uation	5,26,000	4,59,000	4,14,000	4,45,000	2,91,000
Stationery and Printing	94,000	99,000	1,50,000	1,24,000	2,80,000
Miscellaneous	21,00,000	20,13,000	18,67,000	18,69,000	27,71,000
Miscellaneous Adjustments between Central and Provin- cial Govts.	5,02,000	6,97,000	..	..	..
Transfers from Revenue .. ..	..	..	..	..	..
Reserve Fund .. .. .	..	..	..	..	..
Extraordinary Receipts	63,03,000	1,31,30,000	1,74,50,000	1,51,70,000	1,04,97,000
TOTAL REVENUE	11,65,54,000	12,81,10,000	12,87,42,000	12,73,36,000	12,54,45,000

PUNJAB REVENUE (Percentage Distribution)

Heads	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Taxes on Income	4	4	3	2	3	08	..	..	..	..	1	..
Net Land Revenue	24.4	22.6	22.09	23.9	22.4	23.9	23.2	24.8	25.6	26.9	25.4	25.1
Excise	9.7	9.1	8.4	9.9	10.3	9.8	8.6	8.9	9.06	8.3	9.2	9.2
Stamps	9.5	9.3	8.3	9.5	9.6	9.9	9.1	10.5	10.6	10.3	10.2	8.7
Forests	3.4	3.4	3.2	2.9	2.8	2.7	2.05	1.9	1.6	1.5	1.7	1.7
Registration	7	7	7	7	7	7	7	7	7	8	8	8
Irrigation Receipts for which capital accounts are kept ..	38.6	36.5	36.2	33.0	35.8	36.05	36.4	40.3	38.7	39.6	38.2	38.1
Irrigation Receipts for which no capital accounts are kept	4	3	07	06	05	07	08	09	1	1	1	1

JAB REVENUE

1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
1,01,000	..	..	..	..	1,10,000	..
2,83,21,000	2,90,41,000	2,64,64,000	2,78,79,000	2,83,64,000	2,71,63,000	2,71,76,000
1,16,64,000	1,08,49,000	94,98,000	98,37,000	91,51,000	98,92,000	99,68,000
1,18,06,000	1,14,79,000	1,11,91,000	1,15,97,000	1,13,09,000	1,09,69,000	93,93,000
31,94,000	25,68,000	20,29,000	17,70,000	17,14,000	18,23,000	19,24,000
9,25,000	9,20,000	8,00,000	8,43,000	9,27,000	9,18,000	9,15,000
4,26,19,000	4,43,33,000	4,29,55,000	4,20,29,000	4,33,29,000	4,07,64,000	4,22,73,000
92,000	1,10,000	91,000	1,91,000	1,73,000	1,77,000	1,35,000
10,74,000	10,40,000	8,59,000	9,40,000	9,60,000	9,08,000	8,83,000
10,74,000	9,65,000	9,54,000	10,25,000	9,66,000	10,00,000	9,21,000
5,34,000	5,60,000	4,70,000	3,35,000	3,71,000	3,73,000	3,72,000
2,04,000	2,15,000	1,75,000	1,70,000	1,28,000	1,36,000	1,41,000
3,86,000	4,26,000	10,07,000	8,55,000	8,80,000	8,57,000	8,66,000
15,03,000	15,04,000	18,24,000	17,87,000	18,41,000	18,42,000	18,91,000
7,57,000	9,91,000	10,45,000	9,12,000	9,35,000	10,67,000	10,28,000
1,02,000	12,62,000	1,12,000	1,35,000	1,09,000	1,68,000	1,58,000
13,39,000	10,53,000	7,81,000	6,82,000	7,70,000	8,84,000	11,90,000
1,36,000	1,40,000	1,28,000	3,93,000	4,05,000	4,01,000	4,02,000
5,76,000	15,51,000	11,62,000	16,74,000	15,32,000	16,86,000	17,95,000
-8,000	3,000	29,000	2,17,000	5,10,000	6,81,000	9,41,000
..	..	..	..	..	..	1,00,000
2,23,000	2,25,000	1,78,000	1,32,000	1,18,000	1,10,000	1,12,000
2,93,000	2,96,000	2,91,000	2,73,000	2,66,000	2,95,000	2,86,000
26,03,000	22,60,000	17,52,000	17,25,000	18,80,000	16,92,000	15,50,000
..
..	1,000	..	..	..	..	..
86,66,000	66,16,000	27,08,000	30,74,000	25,02,000	25,80,000	36,17,000
11,81,84,000	12,50,24,000	10,65,02,000	10,84,75,000	10,91,40,000	10,64,96,000	10,80,37,000

PUNJAB EXPENDITURE (Percentage Distribution)

Heads	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Administration of Justice ..	5.2	4.7	4.2	4.1	4.7	4.9	4.6	4.9	5.2	5.0	5.2	4.4
Jails and Convict Settlements	1.9	2.7	3.0	3.07	4.5	3.7	3.2	3.2	3.1	2.9	2.8	2.5
Police	10.2	9.4	8.6	9.2	10.5	10.8	10.5	11.5	11.8	11.9	11.5	10.6
Scientific Depts. .. .. .	.02	.05	.02	.02	.02	.02	.02	.02	.02	.02	.03	.02
Education	11.4	12.5	12.4	13.07	15.2	16.0	14.8	14.7	15.2	15.4	15.1	13.6
Medical	3.1	4.1	3.7	4.1	4.7	4.7	4.4	4.5	4.3	4.3	4.5	4.07
Public Health	1.2	2.7	1.6	1.9	2.3	2.5	2.07	1.1	1.1	.08	1.07	.9
Agriculture	3.3	3.9	4.3	4.5	5.3	5.3	4.5	4.6	4.3	4.5	4.7	4.6
Industries .. .. .	.8	.8	.7	.7	.9	.9	.9	.9	1.1	1.2	1.2	1.2
Civil Works	9.1	13.0	15.9	16.6	14.5	12.02	9.9	8.6	9.1	9.3	9.2	8.9

Heads of Revenue	1925-26	1926-27	1927-28	1928-29	1929-30
Taxes on Income	4,94,000	5,12,000	4,23,000	3,65,000	4,05,000
Net Land Revenue	2,84,21,000	2,90,00,000	2,84,63,000	3,05,22,000	2,82,07,000
Excise	1,14,00,000	1,17,04,000	1,09,06,000	1,26,12,000	1,30,01,000
Stamps	1,11,80,000	1,20,00,000	1,08,00,000	1,21,85,000	1,21,30,000
Forests	40,00,000	43,57,000	41,54,000	37,50,000	35,14,000
Registration	8,70,000	8,95,000	9,56,000	9,50,000	9,21,000
Net Irrigation Receipts works for which Capital Accounts are kept	4,50,01,000	4,68,08,000	4,66,44,000	4,20,22,000	4,49,39,000
Irrigation for which no Capital Accounts are kept ..	4,84,000	4,79,000	98,000	84,000	74,000
Interest	6,42,000	9,35,000	11,08,000	8,27,000	10,05,000
Administration of Justice ..	9,70,000	10,62,000	10,97,000	10,79,000	10,88,000
Jails and Convict Settlements	4,83,000	4,83,000	4,95,000	5,48,000	4,14,000
Police	1,80,000	1,28,000	1,29,000	1,51,000	1,94,000
Miscellaneous Depts.	68,000	2,31,000	2,36,000	2,51,000	3,04,000
Education	11,50,000	13,39,000	13,29,000	14,22,000	14,43,000
Medical	2,44,000	2,66,000	2,51,000	8,17,000	8,26,000
Public Health	1,22,000	2,18,000	2,19,000	4,15,000	1,27,000
Agriculture	8,96,000	7,29,000	10,21,000	10,62,000	10,99,000
Industries	32,000	1,05,000	92,000	1,11,000	1,14,000
Civil Works	3,72,000	4,61,000	4,40,000	6,05,000	6,51,000
Net Hydro-Electric Scheme ..	..	..	..	..	..
Transfers from Famine Relief Fund .. .. .	..	..	..	..	1,50,000
Receipts in Aid of Superan- uation	5,26,000	4,59,000	4,14,000	4,45,000	2,91,000
Stationery and Printing	94,000	99,000	1,50,000	1,24,000	2,80,000
Miscellaneous	21,00,000	20,13,000	18,67,000	18,69,000	27,71,000
Miscellaneous Adjustments between Central and Provin- cial Govts.	5,02,000	6,97,000	..	..	..
Transfers from Revenue .. ..	..	..	..	..	..
Reserve Fund .. .. .	..	..	..	..	..
Extraordinary Receipts	63,03,000	1,31,30,000	1,74,50,000	1,51,70,000	1,04,97,000
TOTAL REVENUE	11,65,34,000	12,81,10,000	12,87,42,000	12,73,36,000	12,54,45,000

PUNJAB REVENUE (Percentage Distribution)

Heads	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Taxes on Income	4	4	3	2	3	08	..	..	..	..	1	..
Net Land Revenue	24.4	22.6	22.09	23.9	22.4	23.9	23.2	24.8	25.6	26.9	25.4	25.1
Excise	9.7	9.1	8.4	9.9	10.3	9.8	8.6	8.9	9.06	8.3	9.2	9.2
Stamps	9.5	9.3	8.3	9.5	9.6	9.9	9.1	10.5	10.6	10.3	10.2	8.7
Forests	3.4	3.4	3.2	2.9	2.8	2.7	2.05	1.9	1.6	1.5	1.7	1.7
Registration	7	7	7	7	7	7	7	7	7	8	8	8
Irrigation Receipts for which capital accounts are kept ..	38.6	36.5	36.2	33.0	35.8	36.05	36.4	40.3	38.7	39.6	38.2	38.1
Irrigation Receipts for which no capital accounts are kept	4	3	07	06	05	07	08	09	1	1	1	1

JAB REVENUE

1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
1,01,000	..	..	..	..	1,10,000	..
2,83,21,000	2,90,41,000	2,64,64,000	2,78,79,000	2,83,64,000	2,71,63,000	2,71,76,000
1,16,64,000	1,08,49,000	94,98,000	98,37,000	91,51,000	98,92,000	99,68,000
1,18,06,000	1,14,79,000	1,11,91,000	1,15,97,000	1,13,09,000	1,09,69,000	93,93,000
31,94,000	25,68,000	20,29,000	17,70,000	17,14,000	18,23,000	19,24,000
9,25,000	9,20,000	8,00,000	8,43,000	9,27,000	9,18,000	9,15,000
4,26,19,000	4,43,33,000	4,29,55,000	4,20,29,000	4,33,29,000	4,07,64,000	4,22,73,000
92,000	1,10,000	91,000	1,91,000	1,73,000	1,77,000	1,35,000
10,74,000	10,40,000	8,59,000	9,40,000	9,60,000	9,08,000	8,83,000
10,74,000	9,65,000	9,54,000	10,25,000	9,66,000	10,00,000	9,21,000
5,34,000	5,60,000	4,70,000	3,35,000	3,71,000	3,73,000	3,72,000
2,04,000	2,15,000	1,75,000	1,70,000	1,28,000	1,36,000	1,41,000
3,86,000	4,26,000	10,07,000	8,55,000	8,80,000	8,57,000	8,66,000
15,03,000	15,04,000	18,24,000	17,87,000	18,41,000	18,42,000	18,91,000
7,57,000	9,91,000	10,45,000	9,12,000	9,35,000	10,67,000	10,28,000
1,02,000	12,62,000	1,12,000	1,35,000	1,09,000	1,68,000	1,58,000
13,39,000	10,53,000	7,81,000	6,82,000	7,70,000	8,84,000	11,90,000
1,36,000	1,40,000	1,28,000	3,93,000	4,05,000	4,01,000	4,02,000
5,76,000	15,51,000	11,62,000	16,74,000	15,32,000	16,86,000	17,95,000
-8,000	3,000	29,000	2,17,000	5,10,000	6,81,000	9,41,000
..	..	..	..	..	..	1,00,000
2,23,000	2,25,000	1,78,000	1,32,000	1,18,000	1,10,000	1,12,000
2,93,000	2,96,000	2,91,000	2,73,000	2,66,000	2,95,000	2,86,000
26,03,000	22,60,000	17,52,000	17,25,000	18,80,000	16,92,000	15,50,000
..
..	1,000	..	..	..	..	..
86,66,000	66,16,000	27,08,000	30,74,000	25,02,000	25,80,000	36,17,000
11,81,84,000	12,50,24,000	10,65,02,000	10,84,75,000	10,91,40,000	10,64,96,000	10,80,37,000

PUNJAB EXPENDITURE (Percentage Distribution)

Heads	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
Administration of Justice ..	5.2	4.7	4.2	4.1	4.7	4.9	4.6	4.9	5.2	5.0	5.2	4.4
Jails and Convict Settlements	1.9	2.7	3.0	3.07	4.5	3.7	3.2	3.2	3.1	2.9	2.8	2.5
Police	10.2	9.4	8.6	9.2	10.5	10.8	10.5	11.5	11.8	11.9	11.5	10.6
Scientific Depts. .. .. .	.02	.05	.02	.02	.02	.02	.02	.02	.02	.02	.03	.02
Education	11.4	12.5	12.4	13.07	15.2	16.0	14.8	14.7	15.2	15.4	15.1	13.6
Medical	3.1	4.1	3.7	4.1	4.7	4.7	4.4	4.5	4.3	4.3	4.5	4.07
Public Health.. .. .	1.2	2.7	1.6	1.9	2.3	2.5	2.07	1.1	1.1	.08	1.07	.9
Agriculture	3.3	3.9	4.3	4.5	5.3	5.3	4.5	4.6	4.3	4.5	4.7	4.6
Industries .. .. .	.8	.8	.7	.7	.9	.9	.9	.9	1.1	1.2	1.2	1.2
Civil Works	9.1	13.0	15.9	16.6	14.5	12.02	9.9	8.6	9.1	9.3	9.2	8.9

Heads of Expenditure	1925-26	1926-27	1927-28	1928-29	1929-30
Land Revenue	46,92,000	44,04,000	41,29,000	42,08,000	41,15,000
Excise	19,36,000	15,85,000	15,05,000	14,43,000	14,42,000
Stamps	2,90,000	2,75,000	2,68,000	2,44,000	4,17,000
Forests	28,00,000	30,49,000	27,55,000	26,94,000	26,01,000
Registration	1,05,000	98,000	1,05,000	1,08,000	1,05,000
Interest on Debt-Works for which Capital Accounts are kept	1,00,56,000	1,04,32,000	1,17,84,000	1,25,00,000	1,32,00,000
Miscellaneous Irrigation Expenditure	21,03,000	21,29,000	18,47,000	11,92,000	8,83,000
Interest on Ordinary Debt Reduction or Avoidance of Debt	—3,50,000	—9,63,000	—19,61,000	—29,89,000	—28,84,000
General Administration ..	1,86,000	22,27,000	2,00,000	3,43,000	6,55,000
Administration of Justice ..	1,05,69,000	1,09,21,000	1,10,65,000	1,14,26,000	1,17,98,000
Jails and Convict Settlements	57,42,000	53,96,000	53,44,000	54,32,000	54,66,000
Police	32,68,000	31,42,000	37,90,000	40,13,000	52,24,000
Miscellaneous Department ..	1,11,56,000	1,06,83,000	1,08,55,000	1,20,11,000	1,21,59,000
Scientific Depts.	97,000	96,000	1,00,000	1,09,000	1,14,000
Education	27,000	61,000	30,000	36,000	30,000
Medical	1,25,17,000	1,43,01,000	1,55,66,000	1,70,39,000	1,74,69,000
Public Health	34,37,000	46,64,000	47,36,000	54,33,000	54,07,000
Agriculture	14,00,000	31,48,000	20,82,000	25,12,000	27,02,000
Industries	36,40,000	44,34,000	54,59,000	59,44,000	61,15,000
Civil works	8,47,000	9,29,000	8,77,000	9,64,000	10,95,000
Hydro-Electric Scheme-Interest on Capital outlay	99,47,000	1,47,88,000	2,00,26,000	2,16,35,000	1,67,59,000
Famine Relief and Insurance Superannuation allowances and Pensions .. .. .	..	..	..	..	..
Stationery and Printing ..	3,81,000	3,81,000	3,81,000	3,81,000	1,50,000
Miscellaneous	35,71,000	26,48,000	31,47,000	28,80,000	30,87,000
Contribution to Central Govt. Miscellaneous Adjustments between Central and Provincial Governments ..	8,98,000	9,07,000	9,81,000	12,20,000	12,23,000
Extraordinary charges ..	17,80,000	22,98,000	36,67,000	34,99,000	20,32,000
Transfers to Revenue Reserve Fund Capital Accounts charged to Revenue	1,75,00,000	1,13,84,000	..	25,80,000	..
Forests	60,000	15,000	..	..	..
Irrigation Works	1,50,000	1,50,000	30,000	..	..
Industrial Development ..	..	..	..	..	5,00,000
Civil Works .. .. .	..	..	3,75,000	4,28,000	5,50,000
Hydro-Electric Scheme ..	4,63,000	..	1,60,71,000	91,11,000	..
Commutation of Pensions ..	..	..	..	4,98,000	1,32,000
	..	..	..	27,89,000	16,67,000
	..	..	..	6,00,000	2,15,000
	..	..	..	..	5,03,000
TOTAL EXPENDITURE CHARGED TO REVENUE ..	10,92,68,000	11,35,82,000	12,52,14,000	13,02,83,000	11,49,31,000

EXPENDITURE

1930-31	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37
40,30,000	40,12,000	36,98,000	35,88,000	37,29,000	38,25,000	38,93,000
13,78,000	12,60,000	8,87,000	8,91,000	10,59,000	11,36,000	10,88,000
2,22,000	1,95,000	1,99,000	2,01,000	1,97,000	1,83,000	1,72,000
24,90,000	23,29,000	19,17,000	19,42,000	22,67,000	21,51,000	22,63,000
1,11,000	98,000	74,000	75,000	79,000	74,000	75,000
1,29,61,000	1,33,59,000	1,35,86,000	1,36,38,000	1,37,70,000	1,37,09,000	1,33,47,000
11,64,000	9,22,000	8,42,000	10,35,000	9,26,000	8,36,000	9,54,000
-20,22,000	-21,25,000	-17,00,000	-20,43,000	-32,63,000	-31,22,000	-28,60,000
9,64,000	10,25,000	11,37,000	12,96,000	11,88,000	13,02,000	13,93,000
1,17,99,000	1,15,28,000	1,01,78,000	1,07,26,000	1,07,14,000	1,09,29,000	1,13,15,000
56,89,000	55,43,000	50,88,000	53,14,000	51,40,000	54,95,000	52,42,000
43,22,000	38,81,000	33,15,000	31,64,000	30,45,000	30,42,000	29,85,000
1,23,68,000	1,25,60,000	1,17,69,000	1,20,99,000	1,22,70,000	1,22,47,000	1,25,76,000
1,28,000	1,27,000	1,58,000	1,67,000	1,82,000	2,23,000	2,89,000
28,000	27,000	23,000	23,000	23,000	33,000	30,000
1,83,33,000	1,76,08,000	1,50,12,000	1,56,02,000	1,58,09,000	1,60,01,000	1,60,52,000
54,07,000	52,78,000	44,51,000	44,57,000	44,99,000	47,29,000	48,00,000
29,69,000	24,72,000	11,26,000	11,63,000	11,18,000	11,34,000	10,82,000
61,60,000	54,23,000	46,11,000	44,38,000	46,73,000	50,68,000	55,26,000
11,31,000	10,70,000	9,17,000	12,03,000	12,82,000	13,12,000	14,16,000
1,37,55,000	1,18,87,000	85,20,000	93,18,000	95,44,000	97,21,000	1,04,41,000
10,16,000	17,83,000	24,07,000	30,17,000	31,02,000	32,07,000	31,48,000
2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	1,00,000
34,96,000	39,33,000	57,45,000	60,23,000	65,03,000	68,29,000	68,22,000
12,68,000	11,29,000	10,42,000	9,84,000	10,05,000	9,79,000	11,61,000
18,14,000	27,95,000	29,32,000	25,11,000	25,01,000	26,17,000	27,47,000
..
..
..
..
6,09,000	5,06,000	4,07,000	3,66,000	1,62,000	1,80,000	1,56,000
..	41,97,000	..	..	..	..	..
55,000	50,000	..	..	1,000	..	1,000
15,19,000	3,68,000	99,000	4,55,000	8,22,000	16,04,000	15,70,000
..	54,09,000	..	..	..	..	..
11,43,64,000	11,88,49,000	9,85,80,000	10,19,43,000	10,25,47,000	10,56,44,000	10,77,85,000

BOMBAY PRESIDENCY
BOMBAY REVENUE

Heads of Revenue				1921-22	1922-23	1923-24	1924-25	1925-26	1926-27
Taxes on Income	..	..	..	1,14'6	3'0	..	..	..	..
Land Revenue	..	..	..	4,37'2	4,48'7	3,98'9	4,05'8	4,28'8	3,54'3
Excise	..	..	..	3,42'7	4,22'8	4,34'6	4,43'0	3,95'0	3,97'2
Stamps	..	..	..	1,64'4	1,76'6	1,79'9	1,78'1	1,76'3	1,67'6
Forests	..	..	..	74'9	70'4	71'5	73'1	75'3	76'6
Registration	..	..	..	13'3	13'0	12'9	12'5	12'8	12'0
Scheduled Taxes	..	..	..	..	2'7	9'4	9'0	15'3	19'6
Irrigation works	} Total Revenue	for which Capital	Accounts are kept	..	..	..	..	..	..
Working Expenses				76'1	96'2	1,03'4	1,11'0	1,00'5	1,09'0
Net				-41'7	-43'9	-50'1	-58'4	-59'2	-60'7
Works for which no Capital Accounts are kept	..	..	..	..	..	..	..	..	..
Interest	..	..	..	17'3	17'0	16'7	16'7	16'8	17'0
Administration of Justice	..	..	..	17'1	22'1	19'9	15'7	14'8	25'1
Jails and Convict Settlements	..	..	..	10'7	13'9	14'8	15'1	16'5	17'9
Police	..	..	..	4'6	4'8	5'2	4'6	5'0	5'7
Ports and Pilotage	..	..	..	2'4	7'7	5'9	5'0	7'9	7'8
Education	..	..	..	0'4	0'4	..	..	..	..
Medical	..	..	..	7'7	9'6	10'0	11'2	10'5	10'9
Public Health	..	..	..	5'7	6'5	6'5	6'3	6'6	5'5
Agriculture	..	..	..	0'2	4'8	8'4	5'7	6'1	6'3
Industries	..	..	..	2'9	3'5	3'6	3'4	3'2	3'0
Miscellaneous Departments	..	..	..	0'2	0'4	..	..	..	0'1
Civil Works	..	..	..	1'1	1'2	2'0	2'0	2'0	2'0
Bombay Development Scheme	..	..	..	20'9	16'4	17'9	15'4	16'1	16'4
Transfers from Famine Relief Fund	..	..	..	20'5	27'9	28'4	24'3	28'0	25'5
Receipts in aid of Superannuation	..	..	..	..	..	..	..	..	..
Stationery and Printing	..	..	..	9'4	13'9	14'5	14'1	14'6	15'3
Miscellaneous	..	..	..	2'3	2'9	2'7	2'4	3'7	4'0
Extraordinary Receipts	..	..	..	11'5	6'3	14'3	7'3	9'3	10'7
TOTAL REVENUE	..	..	..	13,16'4	13,48'5	13,31'3	13,23'4	13,05'9	12,51'2

BOMBAY REVENUE (Percentage Distribution)

Heads	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36		
Land Revenue	33.2	34.0	29.9	30.6	32.8	28.2	31.6	30.4	28.5	34.0	32.7	31.1	31.6	38.9	30.8
Excise	25.3	31.3	32.6	33.4	30.2	31.7	29.6	30.1	30.0	26.2	26.5	27.3	28.2	27.6	28.4
Stamps	12.4	13.0	13.4	13.4	13.4	13.7	13.4	13.8	13.2	13.9	12.4	13.1	12.8	13.3	12.9
Forests	5.6	5.2	5.3	5.5	5.7	6.0	5.5	5.7	5.9	4.6	4.6	4.9	4.4	4.6	4.4
Registration	0.9	.9	.9	.9	.9	.9	.8	.8	.9	.8	.9	1.0	1.3	1.3	1.4
Scheduled Taxes1	.6	.6	1.1	1.5	1.6	1.6	1.5	1.4	1.5	1.4	1.4	1.6	1.4

(INCLUDING SIND)

(in lakhs of rupees)

1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36
..
4,10·3	3,86·9	3,81·8	3,85·2	3,96·9	3,74·2	3,84·6	4,57·0	3,71·7
3,84·1	3,83·4	4,00·2	2,97·4	3,21·2	3,29·8	3,43·2	3,25·4	3,43·1
1,75·4	1,68·4	1,77·2	1,58·1	1,50·3	1,58·8	1,56·4	1,57·3	1,55·8
72·9	73·4	79·8	52·2	56·7	59·7	54·3	55·3	54·5
11·8	11·8	12·3	10·9	11·4	12·5	16·2	16·5	17·1
21·2	21·5	20·1	16·4	19·2	18·8	19·1	19·2	18·1
1,04·0	1,18·2	97·9	79·0	88·4	1,27·5	1,17·6	34·1	1,19·2
-61·9	-68·9	-68·2	-61·7	-45·9	-71·7	-85·7	-82·8	-90·8
42·1	49·3	29·7	17·3	42·5	55·8	31·9	-48·7	28·4
16·9	16·4	17·1	15·9	15·9	16·0	15·8	15·9	16·1
21·3	13·6	12·9	17·2	14·7	16·7	13·4	15·9	13·5
14·8	15·5	17·3	17·4	20·2	20·8	19·4	18·5	18·8
6·0	5·4	5·5	4·5	4·4	4·1	4·0	4·8	4·4
7·3	8·0	8·7	18·2	5·2	4·1	4·0	4·1	4·0
..
11·1	11·9	16·6	15·3	16·6	15·8	18·7	15·9	16·9
5·9	5·7	6·2	5·9	6·0	6·4	7·0	6·8	6·9
6·4	8·4	6·2	6·8	7·4	13·5	14·3	14·7	14·1
2·7	2·3	2·4	2·0	2·4	2·9	3·1	3·8	4·2
0·1	0·1	..	..	..	0·1	0·1	0·1	3·4
1·8	1·8	1·8	1·8	15·4	15·2	15·6	16·1	16·5
17·0	19·4	19·0	19·2	34·8	19·1	27·5	19·2	18·5
26·4	26·7	32·6	29·6	24·2	18·9	20·3	8·1	6·4
9·8	16·2	50·4	10·7	14·7	12·9	11·8	11·1	11·1
14·7	15·4	23·1	14·3	13·0	13·7	12·1	10·0	8·6
3·7	3·4	3·2	2·9	2·0	2·1	1·8	1·8	1·8
5·7	2·4	4·8	4·6	4·4	9·9	19·6	18·2	18·8
7·9	2·0	3·7	7·0	9·6	1·0	0·3	7·1	33·2
12,97·3	12,69·2	13,32·7	11,30·3	12,08·6	12,02·8	12,14·5	11,74·1	12,05·9

BOMBAY EXPENDITURE (Percentage Distribution)

Heads	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36
Administration of Justice	4·9	5·3	5·2	5·4	5·2	5·2	5·5	5·6	5·6	5·7	5·5	5·4	5·5	5·6	5·8
Jails and Convict Settlements	2·1	2·1	1·9	1·9	1·8	1·7	1·8	1·8	1·8	2·1	1·7	2·1	1·9	1·8	1·7
Police	13·2	13·4	12·8	12·8	12·2	11·9	12·5	12·9	13·08	14·4	14·09	14·8	14·4	14·3	14·08
Scientific Departments	·07	·05	·05	·05	·05	·04	·04	·03	·04	·04	·04	·05	·05	·05	·04
Education	12·1	13·6	14·7	13·9	14·1	14·2	15·3	15·3	15·5	15·7	15·4	14·7	15·0	14·9	14·6
Medical	3·1	3·5	3·3	3·3	3·4	3·5	3·4	3·4	3·4	3·5	3·4	3·2	3·1	3·1	3·1
Public Health	2·04	1·3	1·4	1·6	1·8	1·4	1·6	1·7	1·8	1·6	1·5	1·5	1·5	1·6	1·5
Agriculture	2·04	1·8	1·8	1·9	1·9	1·9	2·05	2·1	2·1	2·2	2·2	1·9	2·8	2·09	2·1
Industries	·5	·2	·1	·01	·05	·06	·05	·06	·8	·07	·07	·2	·3	·3	·5
Civil Works	14·3	9·06	8·3	7·8	7·9	10·07	9·3	8·9	8·3	8·1	7·2	6·09	6·3	6·3	6·5
Famine Relief	1·9	5·09	2·6	4·3	3·9	3·3	1·7	1·08	4·5	·1	·07	..	..	..	..

BOMBAY REVENUE

Heads of Expenditure	1921-22	1922-23	1923-24	1924-25	1925-26	1926-27
Taxes on Income	1.7	..	..	..	..	..
Land Revenue and General Administration	1,93.4	1,91.2	1,87.2	1,86.7	1,92.8	1,92.0
Excise	28.7	32.8	35.3	40.2	33.8	51.8
Stamps	3.5	3.6	3.9	0.9	1.4	1.8
Forests	50.0	39.7	43.6	43.0	40.9	41.4
Forest Capital outlay .. .. .	..	..	..	..	2.0	2.2
Registration	6.7	7.4	6.7	6.8	6.7	6.7
Scheduled Taxes .. .. .	..	..	0.2	0.2	0.2	0.2
Interest on Works for which Capital accounts are kept	39.5	42.7	49.2	57.2	62.4	54.1
Other Revenue expenditure financed from ordinary Revenue	42.8	30.1	21.1	34.4	31.8	24.3
Other Revenue expenditure financed from Famine Relief Fund .. .. .	..	..	..	..	..	7.1
Construction of Irrigation Works	41.9	..	30.0	..	..	10.0
Interest on ordinary Debt	26.4	41.8	62.7	73.0	1,07.8	90.7
Interest on other obligations .. .. .	..	..	..	..	..	..
Reduction or Avoidance of Debt	9.4	9.4	9.4	11.9	18.2	16.1
Administration of Justice	70.1	65.6	68.9	71.4	72.7	74.1
Jails and Convict Settlements	31.3	26.6	24.7	26.0	25.3	24.7
Police	1,86.7	1,68.5	1,66.7	1,69.0	1,69.4	1,67.1
Ports and Pilotage	1.5	1.7	0.4	0.2	0.2	0.2
Scientific Departments	1.3	0.8	0.7	0.7	0.8	0.6
Education	1,71.7	1,71.1	1,91.8	1,84.0	1,95.8	1,99.6
Medical	45.1	44.4	43.2	43.9	47.2	49.9
Public Health	28.8	17.4	19.4	22.3	24.6	20.0
Agriculture	29.3	23.4	23.8	26.1	26.8	26.9
Industries	7.6	2.7	1.5	0.2	0.7	0.9
Miscellaneous Departments	4.5	4.8	5.9	4.8	4.5	4.3
Civil Works	2,03.0	1,14.3	1,08.9	1,02.9	1,10.3	1,41.1
Bombay Development Scheme .. .. .	..	..	..	..	..	..
Famine Relief	27.3	63.5	33.6	57.2	53.6	46.5
Superannuation Allowances etc.	48.5	52.5	57.8	50.9	56.3	55.7
Commutation of Pensions financed from ordinary Revenue .. .. .	..	..	..	..	..	..
Stationery and Printing	22.5	15.2	15.8	11.4	12.8	15.5
Miscellaneous	23.6	10.8	11.6	11.6	17.5	13.8
Contributions to the Central Government by Provincial Governments	56.0	56.0	56.0	56.0	34.0	28.0
Extraordinary charges .. .. .	..	..	..	..	..	..
Expenditure in England	12.1	19.4	22.6	24.3	31.5	32.6
TOTAL EXPENDITURE CHARGED TO REVENUE	14,14.7	12,57.2	13,02.5	13,16.9	13,82.1	13,99.9

—In lakhs of rupees—(concluded)

1927-28	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35	1935-36
..
1,90°0	1,90°4	1,92°2	1,91°3	1,91°2	1,73°7	1,71°5	1,69°3	1,78°7
35°8	37°4	36°6	34°7	34°2	31°5	31°1	28°7	28°4
1°3	2°7	2°7	2°4	2°3	2°4	2°3	2°3	2°3
40°6	41°3	43°3	40°7	40°1	35°1	32°1	30°5	31°0
2°4	2°3	2°2	1°8	0°6	1°1	0°6	0°5	0°6
6°5	6°6	6°7	6°4	6°3	6°0	6°1	6°1	6°4
0°2	0°2	0°2	0°2	0°3	0°2	0°3	0°2	0°2
54°8	55°5	78°1	68°1	60°4	61°9	61°5	61°1	60°7
30°1	23°5	17°2	24°7	12°3	9°0	14°6	11°9	8°2
10°3	10°0	17°0	6°9	13°3	12°0	10°9	10°1	10°0
10°0	10°0	..	..	..	..	..	..	..
94°9	92°0	89°4	78°3	81°8	88°5	84°2	79°7	82°4
..	..	1°0	2°1	3°2	2°9	2°4	2°0	1°7
14°7	12°9	14°1	14°7	15°3	4°9	16°1	17°0	21°0
73°3	72°9	75°3	74°6	70°6	64°2	66°6	68°1	71°7
24°3	23°7	24°4	27°5	22°1	25°4	22°7	21°7	22°1
1,64°8	1,66°6	1,72°9	1,89°1	1,78°4	1,74°9	1,73°1	1,70°8	1,73°4
0°2	0°2	0°2	0°1	0°1	0°1	0°1	0°1	0°1
0°6	0°5	0°6	0°6	0°6	0°6	0°6	0°6	0°6
2,01°9	1,97°8	2,06°2	2,06°4	1,94°1	1,73°6	1,79°8	1,79°1	1,80°3
46°4	45°3	46°3	45°5	42°7	37°9	37°7	37°8	39°3
21°8	23°0	23°6	21°2	18°6	18°3	18°4	20°6	19°1
27°4	28°3	29°2	28°8	27°7	24°2	24°8	24°9	26°3
0°7	0°8	1°1	1°2	1°2	3°4	3°5	4°3	6°7
4°3	4°5	4°5	4°3	5°0	4°8	4°8	6°7	7°2
1,22°6	1,16°0	1,10°8	1,07°3	90°7	72°4	76°1	76°0	80°1
3°5	4°1	4°5	7°2	9°4	4°0	3°5	3°3	3°5
23°0	1°4	6°0	2°1	0°1	..	..	..	0°1
51°9	54°3	56°7	61°2	72°5	79°1	85°8	91°5	96°8
..	..	..	..	..	1°8	1°1	0°8	0°8
13°9	13°9	12°7	12°7	11°9	10°8	10°0	10°6	12°0
7°9	9°9	6°4	10°7	8°3	12°9	12°9	13°8	13°7
..
..	..	..	..	..	3°2	2°7	1°1	0°2
37°3	42°3	40°2	38°9	40°8	39°7	42°0	42°9	42°8
13,17°3	12,90°4	13,21°9	13,11°8	12,56°1	11,80°5	12,00°0	11,94°1	12,28°4

SOME FEATURES OF PROVINCIAL BUDGETS OF 1937-38

United Provinces

The first Congress Ministry of the U. P. was faced with considerable difficulty in balancing the budget of the Province even on the existing scale of expenditure, let alone in embarking on new schemes. The Niemeyer Award had remarked that, "The Position of the U. P. is in so far peculiar that while its ultimate future gives less reason for anxiety than certain other provinces its immediate difficulties are considerable." It may be noted that during the sixteen years of the Montague Chelmsford Reforms the deficit in the U. P. occurred in 11 years, and during this period the total debt of the province increased from Rs. 15,00,00,000 to Rs. 34,00,00,000. This state of affairs has been primarily due to the fact that the province is predominantly agricultural and that there has been a sharp decline in agricultural prices in recent years.

The deficit in the current year estimated by the Interim Ministry was about Rs. 41,00,000; some attempts were made by this Ministry to reduce this figure, and after effecting some economies it left behind a deficit of Rs. 9,00,000. When the Congress Ministry came into Office, it considered this deficit too optimistic and estimated the figure at Rs. 30,00,000.

But, by economies principally in General Administration, Justice and Police and Travelling Allowances the Congress Ministry has been able to wipe out this deficit and has actually made a saving of about Rs. 4,50,000. Additional new expenditure has, however, been sanctioned under several heads and this amounts to about Rs. 17,00,000. Thus, the estimated deficit for the current year is about Rs. 12,50,000.

As compared with the actual expenditure for 1936-37, the Congress Ministry has secured an increase of Rs. 23,00,000 in sums devoted to nation-building services and a decrease of over Rs. 12,00,000 in the amount spent on General Administration, Justice and Police. Of the grants made to the nation-building services, Rs. 10,00,000 go to Rural Development, Rs. 20,000 is provided for Rural Libraries, Rs. 20,000 for promoting schemes for supply of pure milk in larger towns, Rs. 12,500 for improving production of sale of pure ghee, Rs. 3,00,000 for supply of good seed to villagers, Rs. 2,00,000 for supply of fertilizers, Rs. 37,500 for development of animal husbandry and studbulls, Rs. 2,000 for fruit development, Rs. 5,000 for potato research and Rs. 31,000 for intensive development of agriculture in tube-well areas. In addition to all this, Rs. 10,000 have been set apart for research in "Khadi," Rs. 1,24,000 for development of the Handloom Industry, Rs. 10,000 for the labour welfare work, Rs. 38,000 for improvement of manufacturing processes of Gur, Rs. 1,25,000 for promoting and subsidising an Industrial Credit Company, Rs. 25,000 for a Marketing Company, Rs. 80,000 for combating Malaria, Rs. 1,50,000 for improvement of Medical Relief in rural areas and Rs. 1,00,000 for youngmen to enable them to establish industrial undertakings.

The Premier announced that he intended to work for prohibition from the beginning of next year, since excise sales had been made by the previous government and it was not open to the present Government to make any changes in the excise policy. With a view to remove corruption in Government services Rs. 10,000 had been allotted for a special official to remedy the evil. Services rendered in the cause of rural development would be taken

into account for appointment as honorary magistrates and judicial officers and even for selection of candidates for Government services. The revenue receipts for the year were expected to yield an income of Rs. 12,54,00,000 against an expenditure of Rs. 12,66,00,000.

Bombay

The Finance Minister of Bombay, Mr. A. B. Lathe, in presenting the budget observed that during the last 17 years new taxation to the tune of over 79,00,000 had been imposed on the Province. In spite of all demands to effect economy expenditure had grown by nearly Rs. 2,75,00,000. A large part of the increase in expenditure was due to the rise in salaries and other administrative expenses. Only pension charges in the beginning of the last reform period amounted to a little less than Rs. 50,00,000, and today these charges not only exceed a crore but show an upward tendency which can not be arrested for some years to come. The interest charges due to the debts that the province has incurred have also grown considerably and the larger portion of this debt namely Rs. 7,50,00,000 on account of the Bombay Development Scheme and Rs. 4,00,00,000 on account of irrigation works has involved the province in heavy recurring deficits. In view of these facts those who were responsible for the Government of the Province had left no source of revenue untapped.

The Bombay budget for 1937-38 estimates a deficit of Rs. 17,67,000 which is to be met by a raid on last year's surplus of Rs. 40,00,000. The Ministry has decided to effect retrenchment under revenue expenditure amounting to Rs. 10,00,000 during the next six months, that reduction being achieved particularly by cuts in the salaries of Ministers and other Assembly office bearers and particularly by a cut of 2½% in certain Official Allowances. The Ministry has further sacrificed revenues under certain heads such as Rs. 2,00,000 on implementing the policy of Prohibition, Rs. 5,00,000 on abolishing grazing fees and Rs. 5,00,000 in reduction of land revenue assessment in certain areas. Besides, all arrears of land revenue of more than one year old are to be wiped out within the next two years.

On the expenditure side a provision of Rs. 10,00,000 has been made for Rural Water Supply, Rs. 1,50,000 for development of cottage industries, and Rs. 3,25,000 for village roads. A sum of Rs. 2,00,000 is to be devoted to the preparation for the introduction of Prohibition next year in typical areas in the Deccan, the Konkan and Gujrat.

Madras

In Madras the Financial year 1937-38 opened with a balance of Rs. 1,29,50,000. The new budget utilises this surplus for introducing prohibition in Salem district, which will cause a net loss of Rs. 26,00,000, and for concessions in land revenue amounting to Rs. 75,00,000. The estimated revenue and expenditure is thus maintained at the same level as in the previous year, though increased provision has been made for Development Departments. Thus, irrigation gets an additional sum of Rs. 5,50,000, Public Health Rs. 9,50,000, Agriculture Rs. 1,75,000, Veterinary Department Rs. 75,000, Co-operative Credit Rs. 2,25,000, Industries nearly Rs. 5,00,000, Medical Services 4,50,000 and Education Rs. 2,50,000. The money spent on the primary functions of Government and on Development services came to 42·3 and 47·7 per cent of the total expenditure in 1936-37, while under the Congress budget the respective percentages are 42·0 and 50·3. Out of the total available money for new schemes 60% has been allowed to services concerned with the primary functions of the Government and 92·2% has been assigned to the Development services.

Central Provinces

In the Central Provinces the estimated revenue for 1937-38 is Rs. 474·84 lakhs and the expenditure charged to revenue is Rs. 474·53 lakhs, leaving a small revenue surplus of Rs. 31,000. Excluding transactions of the Famine Relief Fund and Public Debt, the net result of the Debt, Deposit and Capital heads is a debit of Rs. 56·51 lakhs, of which Rs. 45·80 lakhs is for repayment of last year's Short Term Loan from the Government of India. This will be covered by the Permanent Loan of Rs. 50,00,000 raised during the year, the balance being met by temporary borrowing.

The first Congress budget of the C. P. provides for new expenditure amounting to Rs. 18.21 lakhs, but nearly 55% of this is new only in name, as it represents old commitments or usual expenditure for which fresh authority is taken every year. Of the balance of Rs. 7.73 lakhs Rs. 3.87 lakhs is really non-recurring and the rest which is recurring is devoted to development schemes. This recurring provision is only for the latter part of the year 1937-38; the amount will be Rs. 4.52 lakhs over a full year.

Of the new grants Rs. 8,000 have been earmarked for the expansion of the operation of the Consolidation of Holdings Act to new areas, Rs. 97,000 for payment of building and furniture grants to aided schools and to local bodies under the compulsory education rules; Rs. 2,400 recurring and Rs. 7,200 non-recurring for the development of education in Forest Villages; Rs. 12,000 for schools in Betul district, grants for the expansion of Medical facilities etc.; Rs. 7,500 recurring and Rs. 21,500 non-recurring to Village Industries Institutes and for the investigation of a Thermo-electric scheme; and Rs. 20,000 for the establishment of Contributory Provident Fund for Patwaris.

Behar

The total revenue for 1937-38 has been estimated at Rs. 5,06,00,000. The total expenditure for the year fixed by the Interim Ministry was Rs. 493.75 lakhs. The balance of Rs. 12,50,000 is proposed by the Congress Ministry to be absorbed as under:—

1. Cost of new Constitution, Rs. 3,00,000.
2. Schemes previously sanctioned Rs. 1,75,000.
3. Public Works Rs. 1,50,000.
4. Discretionary Grant of Governor and Ministers Rs. 1,20,000.
5. Assistance to District Boards Rs. 3,00,000.
6. Education, Agriculture, Veterinary and Industries Rs. 1 lakh.
7. Emergency Flood Relief in Tirhut Rs. 25,000.

The Ministry expects to realize Rs. 4,00,000 from Entertainment taxes and enhancement of rates of non-judicial stamps. It also expects to derive Rs. 30,00,000 to Rs. 40,00,000 from taxation of Agricultural incomes.

Orissa

The revised budget for 1936-37 showed a closing balance of Rs. 3.55 lakhs. Close scrutiny, however, revealed balance of Rs. 4,000 as the so called surplus was made up of grants from the Road Fund, Central Rural Development Fund, the grant for Handloom Industry and the grant from the Sugar Excise Fund. There were again a number of items against which payments had to be made both to the Madras and Behar Governments for the last year.

The revenue for 1937-38 has been estimated at Rs. 1,88,00,000 and expenditure at Rs. 1,84,11,000.

As compared with the revised estimates for 1936-37 the budget estimate of 1937-38 provides for an additional expenditure of Rs. 42,000 on Education, Rs. 70,000 on Public Health, Rs. 1,21,000 on Medical, Rs. 30,000 on Co-operative Credit, Rs. 75,000 on Industries, Rs. 6,09,000 on Civil Works, Rs. 56,000 on Agriculture, Rs. 25,000 on Veterinary, Rs. 1,86,000 on Police, Rs. 17,000 on Jails and Convict Settlements Rs. 95,000 on Administration of Justice, Rs. 2,07,000 on General Administration and Rs. 95,000 on Irrigation Navigation etc.

Bengal

The Official budget for 1937-38 estimated a total revenue of Rs. 12,55,00,000 which is an improvement of Rs. 60,00,000 over the revised estimates for the previous year. The total expenditure was estimated at Rs. 12,21,00,000 which was Rs. 29,50,000 more than the revised estimates for 1936-37. Thus the year 1937-38 would close with a surplus revenue of nearly Rs. 34,00,000.

The budget provides for increased grants to Universities and other Educational institutions like the Dacca and Calcutta Universities, the Vishwabharti, the Islamia College etc.

As compared with last years revised estimates, provision has been made for an additional expenditure of Rs. 4,90,000 on Education, Rs. 2,57,000 on Medical, Rs. 6,88,000 on Public Health, Rs. 1,38,000 on Agriculture, Rs. 2,25,000 on Co-operative Credit, Rs. 2,10,000 on Industries, Rs. 1,44,600 on Debt Conciliation Board, Rs. 1,25,000 on Contribution towards Water-ways Board, Rs. 1,30,000 on Damodar-Hoogli Flushing Scheme, Rs. 15,83,000 on interest on State Provident Fund Deposits, Rs. 88,000 on Public Service Commission, Rs. 6,09,000 on Road Development Works and Rs. 21,18,000 on Civil Buildings. The total additional grants amount to Rs. 89,00,000.

The Punjab

The Financial year 1936-37 closed with a deficit of Rs. 16,00,000, though during the year improvement had occurred in several sources of revenue, more particularly in land revenue and in receipts from irrigation and the hydro-electric scheme.

The revenue receipts for 1937-38 were estimated at Rs. 10,90,39,000 and the expenditure at Rs. 10,88,67,000. The income under land revenue and irrigation is expected to drop by Rs. 25,00,000. The total provision under beneficent department have been increased by Rs. 20,00,000.

Assam

The Assam budget for 1937-38 anticipates an income of Rs. 2,84,74,000 and an expenditure of Rs. 2,82,48,000, leaving a surplus of Rs. 2,26,000. This surplus is due to the subvention to be given by the Central Government in accordance with the recommendations of Sir Niemeyer. The budget for the current year has no new features except that the expenditure on Ordinary Police has been reduced by Rs. 69,000, while at the same time the expenditure on Special Police has been increased by Rs. 92,000.

CONCLUSION

We have noted above the main features of the Indian financial system. We have seen that the revenues are collected in a manner as to throw the overwhelming burden of taxation on the poorer classes. We have also seen that the great bulk of the expenditure is on account of such services as are calculated to safeguard and strengthen the present system of Government in the country, and to maintain the material and cultural backwardness of the Indian people.

What then are the conclusions to which the foregoing analysis leads us? That the whole financial system requires to be overhauled and radically altered is obvious. On the revenue side, it is necessary to lighten the burden of indirect taxation, and to make direct taxes with a progressive incidence play a more important part in the financial scheme. To this end, a number of reforms can be suggested; for example, the present system of land revenue assessment can be replaced by a graduated tax on agricultural incomes above a certain exemption limit. The rate of income tax on bigger incomes can be enhanced and death duties, special taxation of windfalls, of income from usury and other unearned incomes, can be introduced. The burden of indirect taxation on the poorer classes can be lightened by reducing Excise, Salt and Stamp duties and Registration charges, by lowering Customs duties on articles of common consumption, and by increasing the taxation of luxury commodities. On the expenditure side what is needed is the release of greater resources for the nation-building services and this can be done only if the present scale of expenditure on military and civil administration is drastically curtailed.

Some of these measures are within the competence of Provincial Governments, though under the limitations imposed by the Special Responsibilities of the Governors. A Provincial government can, for example, while acting within the constitution, do a great deal to overhaul the system of land revenue assessment, it can levy income-tax on higher agricultural incomes, introduce new direct taxes on the unearned incomes of the rich, reduce Excise and Stamp duties and Registration charges, and subject luxury articles and trades to higher taxation. Besides, it can cut down a considerable part of the wasteful expenditure on administration and devote the amount thus saved to the nation-building services.

This should not however lead us into thinking that if the Provinces are able to reform their own financial schemes to some extent, the essential character of the financial system of the country as a whole would be changed, because the Provinces control only about 40 per cent of the total public revenue of the country. The Central Government, which is far less amenable to democratic pressure still dominates the financial machinery; it monopolises about 60 per cent of the public revenues, and the greater part of its expenditure is not votable by the Central Legislature. It controls such big and expanding heads of revenue as Customs and Income Tax, and such important items of expenditure as Military and Public Debt charges.

It should be clearly understood that the present financial scheme being the out-come of certain basic needs and requirement of imperialist rule in the country, cannot be radically altered within the framework of this rule. The whole machinery and structure of the present system of government rests on its financial arrangements. A strong military and police force, a bureaucratic and repressive civil administration, jails, convict settlements, detention camps, criminal courts and a variety of other instruments for the suppression of civil and even personal liberties of the people are indispensable prerequisites of imperialist domination. Equal-

ly important for Imperialism is the maintenance of industrial and cultural backwardness of our country, since this facilitates economic exploitation. Therefore, though some reform in the provincial budgets may be secured, the essential character of the financial scheme cannot be altered under the present system of government.

This means that none of the major problems of the country, such as the problem of poverty, of unemployment, illiteracy, disease etc. can be effectively tackled within the framework of the present political order. British Imperialism cannot by its nature solve any one of India's economic problems and remove the terrible material and cultural decay that it has itself created, because while on the one hand it impedes the economic development of the country, on the other, it squanders the wealth extracted from the people on its mighty State apparatus for the maintenance of law and order. The political emancipation of the country, therefore, becomes an *a priori* condition for effecting any material and permanent improvement in the economic condition of the people.

It should, however, be noted that the problems that face India are so numerous and vast that not until the whole economic life of the country is reconstructed in a manner as to release the full forces of internal production, that they can be adequately solved. Thus a campaign for universal literacy in India would involve for the first few years an expenditure of no less than Rs. 60 crores per year. If adequate medical facilities are to be provided for the entire population, the annual expenditure would in no case amount to less than Rs. 50 crores. Then, there is the problem of making provision for a large number of social services which are non-existent in India today. Besides, any serious attempt at industrial and agricultural development must involve enormous demands on the State exchequer. The financial resources thus required cannot be secured unless the economic system of the country is so reorganised as to give an unrestricted scope to the development of internal wealth. This implies the removal of all those checks on production which are inherent in the present productive system based on vested interests and competitive enterprise.

Thus, complete political emancipation coupled with a scientific reorganisation of our economic life, aiming at the creation of a much higher level of internal production, will alone free Indian society from being geared down to a level of artificial scarcity and will thereby give us a financial system which will enable us to solve the multifarious problems of our national life.