

EAST INDIA (BUDGET).

BUDGET

OF THE

GOVERNOR GENERAL OF INDIA IN COUNCIL FOR 1923-24.

*Ordered, by The House of Commons, to be Printed,
2nd August, 1923.*

LONDON:

PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

To be purchased through any Bookseller or directly from H.M. STATIONERY OFFICE
at the following addresses: Imperial House, Kingsway, London, W.C.2, and
28 Abingdon Street, London, S.W.1; York Street, Manchester;
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1923

Price 7s. 6d. net.

GOVERNMENT OF INDIA
FINANCE DEPARTMENT

BUDGET FOR 1923-24



DELHI
GOVERNMENT CENTRAL PRESS
1923

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Speech of the Finance Member

introducing the

Budget for 1923-24.

INTRODUCTORY.

MR. PRESIDENT,

In rising to-day to present the budget statement for 1923-24, I claim, and I know I shall receive, the privileges of a new-comer and a new Member. It is a great privilege for me thus to be able to fulfil an old dream of returning to the land of my birth to serve India as so many of my ancestors have done. But two months is a very insufficient time for the task of preparing to present a budget to this House. I am, however, in many ways fortunate. First and foremost, I have the devoted services of the Finance Department under the Honourable Mr. Cook. Without their help there would have been no budget. I am the inheritor of the fruits of three years of hard labour of my friend Sir Malcolm Hailey. If there is a gleam of light in the budget which I am about to present, it is his doing. The fruit is the fruit of seed which he had sown, and I am reaping where he has ploughed. I am afraid that he had to put up with much inclement weather, with storms and rumours of storms, but if there is promise of harvest to-day, the credit is to him. For nothing perhaps am I more indebted to him than for his share in the credit of securing the appointment of the strong and able Retrenchment Committee, which has been so well presided over by Lord Inchcape. Possibly the most interesting part of the papers which I am laying on the table to-day and in the next few days in connection with the budget will be the report of the Inchcape Committee. Lord Inchcape shocked my modesty a few days ago by describing himself as my forerunner. He and his colleagues can perhaps be more aptly compared to the burly forwards in the American game of football on whom falls the duty of charging ahead of the man, with the ball and beating down, with all permissible violence, any opponent who threatens to check his progress. Whatever views individual Members may take of this or that recommendation for retrenchment made by the Committee,—and I never heard any recommendation for retrenchment anywhere, except the stopping of the salary of the Finance Member, which was really popular,—I know the whole House will be unanimous in joining with me in expressing our heartfelt gratitude to the Committee for their devoted work, and, as I think I may promise, for their remarkable success in what is the most ungrateful of all ungrateful tasks.

2. Mr. President, my first duty to-day is to lay before this House the figures of the outturn, or rather the probable outturn, of the year 1922-23. Since I came to India, I have much envied the position of the British Chancellor of the Exchequer who, in presenting his budget, is always able to give accurate figures for the year which, under the British system, has just closed and not, as under the Indian system, is about to close. He is not confronted, as I am, with the necessity of making what is after all only a second guess on the basis of the first nine or ten months' experience of what the real figures are for the year preceding the year to which the budget which he is presenting relates. When I have laid before

the House the figures for 1922-23, I hope to make a short review of the general financial position of India at the close of 1922-23, that is, the position as it presented itself to a new-comer as I am. It will then be my task to proceed with my proper function to-day—the presentation of the budget for 1923-24.

II.—REVIEW OF THE YEAR 1922-23.

3. The budget estimates of the current year as finally passed provided for a deficit of 9.16 crores, the estimated revenue Deficit as now estimated. (including new taxation and increased postage and railway rates expected to yield 18½ crores), being 133.23 crores, and the expenditure 142.39 crores. There is a saving of 4.14 crores on expenditure, but revenue will be 12.48 crores less than the estimate, so that as now revised the estimates point to a deficit this year of 17½ crores.

Revenue.

4. Our revenue estimates were not based on a hope of any marked or striking revival in trade, although we certainly Trade conditions. expected some slight improvement on the general trade conditions of the previous year. On the whole, this anticipation has been justified. There was considerable stagnation during the earlier part of the summer, but, except perhaps in the cotton mill industry in Bombay, the general feeling prevailing in the business community has for some months been one of mild optimism. Considering the impoverishment of many of our former customers, our exports have undoubtedly shown a promising recovery, and, so far as merchandise alone is concerned, the balance of trade in favour of India during the first ten months of the financial year has been 62 crores which contrasts with an adverse balance of 29½ crores in the corresponding ten months of the preceding year. As against this, there has been a substantial net import of bullion in the current year, but after including the bullion figures there still remains a net balance of 20 crores in favour of India instead of an adverse balance of 33 crores in the first ten months of last year.

5. Under Customs we budgeted for a total net revenue of 45½ crores, of which 9 crores was expected to accrue from Customs. the enhancement of duties imposed in the Finance Act of March last. We now expect a Customs revenue which will be some 3 crores short of the figure budgeted for. The most uncertain, and at the same time one of the most important factors affecting our revenue is the import of sugar, which in the previous year had yielded us the unprecedentedly large figure of 6½ crores at the old rate of duty of 15 per cent. For the current year we did not anticipate the continuance of such abnormally large imports, but expected, on the increased duty of 25 per cent., to realise about 6½ crores. The figures of imports vary in a very erratic way from month to month which makes estimating difficult; recently, owing to a large drop in prices, imports were held up in order to get the benefit of the revised tariff valuation which came into force from the 1st January. We expect, therefore, large imports in the last 3 months of the year though the effect of this will be counterbalanced by the duty being calculated on a lower valuation. On the whole, we expect that the revenue from sugar will be less by 1½ crores than the budget figure. The excise duty on cotton manufactures will also bring us in substantially less than we expected; owing to the high price of cotton and a fall in the price of cotton cloth in the internal markets, there has

recently been a reduced output from the mills, and we expect to be about 60 lakhs down under this head. As regards the other tariff heads, it is probable that there will be some deficiency in the revenue from liquors, matches, machinery, cutlery and other manufactured articles, but any losses here should be nearly counterbalanced by increased revenue from import duties on cotton piece-goods (which may give us 96 lakhs more than our estimated revenue of 5,60 lakhs), iron and steel and other metals, while the new excise duty on kerosene is likely to bring us in 89 lakhs as against 40 lakhs budgeted for.

6. Before leaving the subject of Customs, I must refer briefly to a matter which has attracted some public attention during the year, namely, our revenue from the so-called "luxury" articles, which are assessed to duty at 30 per cent. Honourable Members will have seen from time to time various articles in the press, the object of which was to show that this high rate of duty has very seriously affected the trades concerned, and it was implied, if it was not asserted, that a lower rate of duty would have brought in more revenue. These contentions are scarcely borne out by the facts. In the current year we budgeted for a return of 2,84 lakhs from the 30 per cent. duty; we actually expect to receive only 11 lakhs less in spite of a considerable fall in prices. The principal articles included in the 30 per cent. schedule are motor cars, silk manufactures, glass bangles and beads, and tyres and tubes. Except in the case of silk manufactures, the quantities imported during the first nine months of the current year have been in excess of those imported in the corresponding period of the preceding year. Nearly twice as many motor cars have been imported; and if the value of the cars imported has fallen considerably, this is due partly to the general fall in world prices and partly to the fact that people have been importing the cheaper American car in preference to the more expensive English car. I doubt very much if the duty has had much to do with this substitution. The conclusion is that there is certainly no case at present for any alteration of the schedule.

7. As Honourable Members will have seen from the published returns, our traffic receipts from railways have been disappointing. The increase in passenger fares was expected to add some 6 crores to the receipts. Traffic, both passenger and goods, especially the latter, has, however, fallen off, and as against the estimated gross traffic receipts of 99½ crores, we do not expect to get more than 92, the small improvement over the gross earnings of last year being mainly due to the increased passenger fares. On the other hand, we expect a saving of 2½ crores on that portion of the expenditure on replacements and renewals which is debitable to revenue, counterbalanced by an excess of about 1 crore in ordinary working expenses. Altogether our net railway revenue is likely to be down by 5½ crores. Taking into account interest charges, I am sorry to say that the final result for the general tax-payer will be that there will again be no profit from railways, but a loss of about a crore.

8. The effect of the new postal rates, during the first few months of the financial year, was to reduce correspondence, but there have since been signs of recovery, and the public are now gradually getting used to the higher postal charges. For the present, however, I think we must anticipate a diminution of 1,06 lakhs in our anticipated receipts in 1922-23. There is a small saving in working expenses, and after debiting interest,

the department will probably prove to have been running at a profit of about 24 lakhs.

9. We expected large arrear income-tax collections, but after the beginning of the year it became evident, not only that the allowances that we should have to make for bad debts, etc., would be large, but also that our revenue was to be seriously affected by heavy refunds which have had to be made in Calcutta as a result of the adjustment system in force under the former Act; fortunately this will, under the new Act, not disturb our estimates again. I understand that in Calcutta companies have in many cases actually received a cheque from the income-tax authorities instead of paying any tax to Government, and the net receipts in Bengal are not expected to be more than 3½ crores. The collections have been good in the other provinces, particularly in Bombay, though the lower profits which the cotton mills have recently been making will, I fear, affect our revenue from that city in 1923-24. Altogether, we expect a total deterioration of 3½ crores.

10. As regards other heads, I need only say that we expect to get 89 lakhs more from opium than we anticipated, and there will probably be some slight improvement—7 lakhs or so—under salt.

Expenditure.

11. On the expenditure side, there will be a substantial saving of about 1.86 lakhs in our budget provision for interest on debt. Our rupee and sterling borrowings have been larger than we budgeted for, but a full half year's interest in respect of the greater part of these does not fall due till next year; the success of our borrowings has, moreover, enabled us to fund a substantial portion of our floating debt, and the payment of interest made for short periods this year on our new loans is less than that which would have been payable for the replacement of the treasury bills discharged.

The House will recollect that a special provision of 60 lakhs was entered in the Civil estimates as part of the expenditure in Waziristan (under the head "Political"). We now anticipate that there will be a saving of nearly 35 lakhs therein, owing to a part of the expenditure being thrown forward to next year. There will also be a saving of ½ crore in other civil expenditure, mainly as the result of retrenchments carried out during the year.

The average rate of Exchange for which we budgeted was 1s. 4d. We expect no appreciable deviation from the budget under this head.

12. Before dealing with military expenditure, I must explain briefly a change which has been made in the method of showing the figures; it affects all the non-commercial heads but is most marked in the case of the military portion of the accounts. Our practice in the last two years in distributing exchange adjustments has been to show them against the individual heads of account in so far as the commercial services were concerned, and to lump the entries under one head "Exchange" in respect of the remaining heads. This method would answer well enough if the difference between the statutory rate (2 shillings to the rupee) and the

actual rate was fairly small; but it gives our figures a misleading appearance when the difference between the two rates is as large as has been the case during the past two years. It was not at all surprising, therefore, that serious objection was taken to this procedure in the course of the discussion of the budget in both Houses last year, on the ground that it had the effect, on the surface, of largely understating the actual expenditure incurred on military services. It has now been decided to distribute the exchange adjustments between the individual heads in all future accounts and estimates. The figures of military expenditure which I shall give this morning have accordingly been arrived at after converting sterling into rupees at the rate of 1s. 4d.

13. The Budget provided 65·10 crores for the established charges of the Army, 2·13 crores for Waziristan expenditure and 52 lakhs for demobilisation charges, making a total of 67·75 crores. In regard to the Waziristan expenditure my predecessor stated that the figure could be regarded as tentative only, since it is always difficult to forecast the exact effect of military operations of this nature. His apprehension has unhappily proved correct and Waziristan expenditure in 1922-23 is now estimated at 3·85 crores. Demobilisation charges will amount to 2·8 crores owing to unexpected progress with the discharge of surplus officers and to a claim from the War Office for the cost of demobilisation of British troops which had become surplus on the reduction of Indian establishments. On the other hand, the established charges will now amount to only 60½ crores, owing to a continued shortage of British troops, fall in prices and a variety of other causes. A careful control has been maintained over these charges; and savings in Budget grants have not been allowed to be re-appropriated for new measures involving a permanent liability of any considerable magnitude, though a small portion had to be made available to meet initial expenditure on equipment the purchase of which could not be further postponed. In spite therefore of the excess expenditure of 1,72 lakhs in Waziristan, we have been able to effect a saving of 46 lakhs in the budget grant for Military expenditure.

14. These variations in revenue and expenditure are summarised Summary of variations. below:—

	(In lakhs of rupees)	
	(+ better, — worse).	
(i) Customs revenue, less . . . . .	...	3,12
(ii) Income-tax revenue, less . . . . .	...	3,42
(iii) Opium and Salt revenue, more	96	...
(iv) Net revenue from Railways, less . . . . .	...	5,56
(v) Net revenue from Posts and Telegraphs, less . . . . .	...	94
(vi) Interest and Currency receipts, more	51	...
(vii) Saving in provision for Interest on debt	1,85	...
(viii) Saving in Military expenditure (net)	46	...
(ix) Saving in Civil expenditure (including Political expenditure in Waziristan) and other items	1,21	...
	5,00	13,34
		—8,34
Deficit as budgeted for		—9,16
		—17,50
Deficit according to present estimate		—17,50

III.—POSITION OF INDIAN FINANCES AT THE CLOSE OF 1922-23.

15. Before I proceed to present the budget for 1923-24, I should like, with the permission of the House, to make a short survey of the financial position of India at the present time, and to attempt to give the House a new-comer's first impressions, or as Mr. Punch would say, first depressions. I am afraid that much of what I say may sound rather superficial, and that I shall be open to the charge of doing what has been done before by more than one globe trotter who, after spending a few weeks in the country, sets to and writes a book about India. One of the many books about India which I brought with me to read on boardship on my way out was a volume entitled "The Moral and Material Progress Report". I was rather shocked by the odd assumption in the title that there had necessarily been progress. When I came to look into the finances of India for the last few years, I was tempted to wonder whether it was not rather a rake's progress. For five years in succession, India has had a deficit. The accumulated total of these deficits amounts to no less than 100 crores, and this in spite of the fact that in the last two budgets additional taxation has been imposed estimated to bring in about 28 crores during the year 1922-23. Even this is not the whole story. Apart from our revenue deficits, we have spent many crores on unproductive purposes, the expenditure on which is classed as capital expenditure. New Delhi is the most obvious example. I can see no justification, other than sheer necessity, for not treating this expenditure as chargeable against revenue, and in any case it ought to be repaid out of revenue at an early date. Moreover, besides the deficit of the Central Government, the recurring deficits of the provincial Governments and of many local bodies throughout India must not be forgotten.

16. I ask the House to pause a moment and consider what these deficits mean. Unfortunately, we are accustomed in these days all over the world to budget deficits, and familiarity breeds contempt in spite of the fact that more than one awful example is before us among the nations of Europe of the chaos which continued budget deficits inevitably induce. The individual who lives beyond his income year by year does not escape the penalty and the same is true of a State. The individual who makes this mistake quickly finds himself compelled to consent to a ruthless cutting down of his expenditure or is driven either to sell or to mortgage a part or the whole of his possessions; or, in the worst event, to cheat his creditors. A State is in the same position, but the position is frequently obscured by the fact that the State's creditors are in another capacity the citizens of the State and its taxpayers. And the State which is driven to cheat its creditors does not always realise what it is doing although its unsound methods are adopted at the expense not only of the wealth and happiness of its own citizens, but also at considerable risk to social order within its borders. Much of the present unrest in the world is due to the way in which States in all parts of the world have cheated their creditors by unsound currency manipulation and the creation of paper money with no real assets behind it.

17. India has not entirely escaped the evils of taxation through inflation, but as compared with many other countries she has come off well. Out of the total deficit of 100 crores during the last five years, it is estimated that 31 crores have been covered by the creation of paper money, representing nothing but the I. O. U.'s of the Government of India. The remainder amounting to 69

crores has been raised by borrowing. Moreover to the extent of 22 crores the borrowing has thus far taken the form of issues of Treasury Bills to the public. It is true that, owing to special conditions during 1922-23, we were able to reduce our Treasury Bills by 32 crores, in spite of the deficit, out of the proceeds of long term loans. Still, 22 crores of Treasury Bills in a country like India is far too large an amount to have outstanding. A large volume of Treasury Bills is an evil even in England, where the condition of the money market is such that it is always possible to renew maturing bills by offering a competitive rate, but in India conditions might easily arise under which even an impossibly high rate would be insufficient, and in that case the Government of India would be driven back to replacing the Treasury Bills by paper currency, *i.e.*, would be driven to taxation by inflation.

18. In this connection, a word may be said about our early maturing debt. We have to find the means of meeting bonds during the next three or four years to the extent of 5½ crores in 1923, 3½ crores in 1925, and nearly 38 crores in 1926. These amounts, too, have to be competed for against other demands on the market, and may be said, in part at any rate, to be one of the outcomes of the deficits for the last few years.

19. But the deficits of 100 crores can be looked at from another point of view, when again their evil effects are prominent. In the budget for 1923-24, the charge for interest would be at least 5½ crores less had it not been for these accumulated deficits. This extra 5½ crores has to be met either by reducing expenditure, possibly by reducing desirable expenditure, or by raising new taxation, or at best by maintaining existing taxes which could otherwise be reduced.

20. Moreover the continued deficits are threatening to impair India's credit in the market both at home and abroad, and increasing the cost of borrowing whether for covering the deficits or for new capital expenditure. India is a country where, as it seems to me, there is an almost unlimited field for new capital expenditure on new development. At the last Assembly of the League of Nations at Geneva, India established her claim to be one of the eight premier industrial States of the world. Every one admits, however, that India is only at the beginning of her industrial development, and it is out of her capital resources, *i.e.*, out of her accumulated savings and her new savings, that the capital to develop India industrially must be found. We have borrowed all that we could borrow in India and in England during the last few years for capital expenditure purposes, and we have undertaken a minimum programme of 30 crores a year for capital expenditure on Railways. I wish it could be more. So far as I can judge at the present time, the amount which might usefully be spent on profitable development of transportation in India is limited mainly by the possibilities of finding capital resources. Yet we have spent 100 crores out of capital in the last five years in financing deficits, thereby diminishing to a corresponding extent the resources available for developing India. Let us make no mistake about it. If recourse to inflation is ruled out, if it is agreed that the concealed method of taxation by inflation is the worst of all methods, the money to meet the annual expenditure of India, whether on capital or on revenue account, must come out of the savings of the country. The only exception, which is not a real exception, to this statement is that some of the capital may be borrowed abroad, and it has of course been a commonplace of the history of the last century that capital has been found by the older industrial countries of the world for the development of new-comers in the field, to the

great advantage both of the borrower and of the lender. But the amount that India can borrow abroad is limited both by the amount available abroad, which in the present condition of the world may prove a comparatively small amount for some time to come, and by the capacity of the borrower to meet the annual charges for interest. These annual charges for interest are in effect a claim on the future resources of India and ultimately come out of the same pocket as the money required to meet the rest of India's expenditure, *i.e.*, out of the savings of the people. To sum up, the deficits of the last few years have brought in their train a certain amount of taxation by inflation, a heavy annual charge on the present and future budgets of India, a deterioration in India's credit, an increase in the cost of borrowing, and a depletion of the resources available for desirable capital development.

21. Perhaps I may be allowed to digress at this moment to touch on a subject in which I have always taken very great interest. Every one who has studied the subject agrees that a wonderful era of prosperity would be ahead of India if the habit of investment could be stimulated, if investment in India became anything like as general a practice as it is in such countries as England and France. It is true that much has been done in recent years. The rupee loans of the last few years have been unprecedented in amount. But much remains to be done if the Indian people are to form the habit of investing their talents in reproductive enterprises rather than wrapping them up in a napkin, and perhaps I should also add, if some of them could learn to be content with sound and steady returns on the money they invest instead of looking for impossibly high dividends.

22. I have been making some inquiries as to the progress of the Post Office Cash Certificates. I was an original member of the National Savings Committee appointed in England at the beginning of 1916 largely through the efforts of Mr. Montagu and was privileged to take a part in what is widely regarded in England as a most extraordinarily successful movement. The change from thriftlessness to thrifty habits which has taken place among many sections of the English people has been described as a revolution. National Savings Certificates to the value of nearly £360 millions are now held by the small investor in the United Kingdom. When I contrast the sales of the Post Office Cash Certificates, which were not inconsiderable during the war when they were first started but have since declined, I cannot help thinking that there must be great possibilities of development in this system. What a great improvement in our financial outlook would result if by development of the Post Office Cash Certificate system a considerable part, if not the whole, of the money required for provincial capital expenditure could be found out of the proceeds of Cash Certificates! It is my earnest hope that before long means may be found for taking up this subject in earnest. It is a subject in which above all others, if we are to succeed, non-official effort must be enlisted to second governmental action.

23. As the results of the deficits of the last few years and of the war, India's debt has grown from a total of 4,11 crores on the 31st March 1914 to an estimated total of 7,81 crores on the 31st March 1923. This figure includes the floating debt and the early maturing debt of which I have already spoken, but it excludes no less than 63 crores of obligations which it is I find the practice to treat separately from the debt of India, though as far as I can see these obligations are just as much a part of India's debt as the rest. Taking, however, the figure of 7,81 crores which I have given of the total debt of India on the 31st March 1923, we find that 5,57

crores is classed as productive and 2,24 crores as ordinary or unproductive debt. The proportion of productive to unproductive debt is one which naturally looks strikingly good to any one who thinks of Great Britain's figure of £7,500 millions of debt, all of which has gone in powder and shot. But this comparison must not blind us to the fact that since the 31st March 1914 the total debt has increased by 3,70 crores and the unproductive debt by 2,27 crores, and we must not forget that the yield on that part of our productive debt which is invested in railways has not been sufficient in the last two years to meet the interest charges.

24. The debt, again, has to be divided between rupee debt and sterling debt. The rupee debt has risen since the 31st March 1914 from 1,46 crores to 4,21 crores and the sterling debt has risen from £177 millions to £240 millions in the same period. The sterling debt of £240 millions represents a claim on India's production of goods and services in the future up to the value of the principal together with a further claim on those goods and services for interest during the interval until the principal is paid off.

25. This question of the sterling debt brings me by a natural transition to a new subject, which is certainly not the last
 Currency and Exchange. one to be brought to the attention of an incoming Finance Member—I mean the question of currency and exchange. Now, it is no good crying over spilt milk, and I do not think the House will expect me to delve deeply into the history of Indian currency during recent years. It is easy to be wise after the event. There were some wise men, however, even in 1919-20, who held that the right course at that time would have been to adopt a waiting policy, and I am convinced that, for the moment at any rate, a waiting policy is still the right policy. What was it that upset the equilibrium of the rupee-sterling exchange which had been so painfully stabilised at 1s. 4d. at about the end of the 19th century? Primarily of course it was the Great War and the adoption of inflationary methods by all the belligerent countries. Whatever system of currency had been in force in India during the Great War, it would have been profoundly disturbed by the events of 1914-18. In so far as India had a choice and was not swept along in the maelstrom of world events, India's choice was necessarily between an attempt to keep the exchange value of the rupee more or less stable and an attempt to keep rupee prices more or less stable. As a matter of fact, India's first choice was the former, and for some time the rupee remained at or about 1s. 4d., but then the rise in the price of silver, which occurred as the natural consequence of the fall in the purchasing power of gold, introduced a new complication. It is impossible over a long period to keep a coin in circulation which is worth more as bullion than it is as current coin. Once the traditional figure of 1s. 4d. for the rupee was departed from nothing remained stable, though in comparison with the rest of the world Indian prices up till 1920 remained relatively stable in terms of gold. Thus, it was essentially the rise in the price of silver which upset the Indian currency system. I need say no more of the attempt that was made to stabilise the rupee at a new, or rather at the old, fixed rate of 2 shillings gold in 1920 except that it failed. Looking back, we are able to say that the attempt was an almost impossible one with all the exchanges of the world out of gear, with world prices moving up and then down with unexampled rapidity, and with relative prices as between one commodity and another fluctuating in an unheard-of manner. Can we say that the position to-day is such that an attempt to give the rupee a fixed value, whether at 1s. 4d. or any other rate, in terms of gold, or in terms of some

other currency, is much more likely to succeed than it was in 1920? I think not. The French are in the Ruhr; the whole of Continental Europe is faced with the threat of impending chaos; throughout the world prices are unstable; sterling has approached close to par with gold but it is not yet at par; and even if it were at par, it is too soon to say whether political and monetary conditions in the United States may not lead to a fresh cycle of rising prices in terms of dollars which would almost necessarily have to be followed by a rise in sterling prices. For the moment, therefore, I repeat that the time has not yet come for a new attempt to fix the rupee, whether at 1s. 4d., 1s. 6d., or any other figure.

26. Subject, however, to one essential condition, namely, that the era of unbalanced budgets, central, provincial and local, in India, is succeeded by an era of balanced budgets, there is, I think, reason to regard the currency position of India with some satisfaction. We had a good monsoon last year and India's export trade has taken a turn for the better. For internal purposes the metallic reserve of silver seems to be fully ample to maintain the convertibility of the paper currency. In addition to the reserve of silver rupees, there is in the Paper Currency Reserve a sum of £24 millions in gold, and in sterling securities, easily convertible into foreign exchange, a total of £5,800,000 sterling. Over and above and outside these Reserves, we have £40 millions in the Gold Standard Reserve. In spite of the separation between the two Reserves, if we are looking at the resources available for maintaining the rate of exchange of the rupee, the sterling securities in the Paper Currency Reserve and the Gold Standard Reserve all serve the same purpose.

27. The movements of the rupee-sterling exchange during the past year reflect a clear improvement in the position of the rupee. A year ago, in February 1922, the telegraphic transfer rate in Calcutta on London had fallen as low as 1s. 2 $\frac{1}{59}$ d., and it was not till the end of December that it reached 1s. 4d. Since then, after a rather rapid rise to over 1s. 5d. followed by a sharp re-action, it is for the moment fairly steady at between 1s. 4d. and 1s. 4 $\frac{1}{2}$ d. This improvement in terms of sterling reflects an even greater improvement in terms of gold owing to the rise which has taken place during the year in the value of sterling in terms of gold, and the improvement is reflected also in prices. The Bombay Labour Office figure for Indian wholesale prices for December 1921 was 190. For December 1922 the corresponding figure was 173. There has been a still more striking fall in retail prices of food grains. This fall in Indian prices has been taking place during a period in which there has been an actual rise in dollar prices and sterling prices have remained approximately stationary.

28. I have said that I do not think the time has come for fixing on a new policy in regard to exchange. I do, however, want to make one or two general observations. There is no sanctity in this era of instability about any particular rate of exchange, whether 1s. 4d. or 2s. or anything else; it is simply a question of what rate of exchange best suits India's needs. Ultimately India's payments outside India are, and must be, made in the form of exports of Indian goods and services. But, if we look at the matter from the narrow point of view of the budget, the following statistical data are of interest. The Government of India's sterling debt of £240 millions sterling at 1s. 4d. amounts to 360 crores, at 1s. 5d. it amounts to 339 crores, at 1s. 6d. it amounts to 320 crores while at 2s. it amounts to 240 crores. Of

the deficit for 1922-23, 5½ crores would have been saved had exchange been at 1s. 6d. and 9½ crores if it had been at 1s. 8d. Statistics proverbially can be made to prove anything. Nevertheless, these figures are striking and it must be remembered that, apart from the sterling indebtedness of the Government of India, there are large sterling debts owed by municipalities, port trusts, and many other Indian borrowers, who would all be individually benefited by a higher exchange so far as their sterling indebtedness is concerned. Then, again, although since 1920 the tendency of rupee prices to remain relatively more stable than world prices, or rather to follow changes in world prices rather slowly, has to a large extent ceased to operate, it is very doubtful, I think, whether internal prices in India have yet adjusted themselves to a level corresponding to a 1s. 4d. exchange, so that were exchange stabilised now at 1s. 4d., internal prices would have to go up, and certainly there are various kinds of Government expenditure which would have to go up considerably in terms of rupees. Finally, we do not want ever again to find the rupee more valuable as bullion than as currency. That is one side of the picture. There is, of course, another side. An attempt to force up exchange violently would at once cause stringency. Severe stringency in the money market is never desirable for its own sake, is always bad for trade for the time being, and is most inconvenient from the point of view of a government which is engaged on a programme of capital expenditure, involving considerable capital borrowings. Any policy which threatened seriously to restrict India's exports is also to be deprecated, and trade above all desires stability of exchange, perhaps even more than stability of prices. I myself had some part in the International Conference at Genoa last April and May, and the first recommendation of that Conference was that "an essential requisite of the economic reconstruction of Europe is the achievement by each country of stability in the value of its currency." If, therefore, the time has not yet come for an attempt finally to stabilise the currency of India, stability is our goal and we mean to achieve it at the first opportunity.

IV.—BUDGET FOR 1923-24.

Expenditure.

29. While drawing attention to the above recommendation of the Genoa Conference, I am naturally led to quote another of its most important recommendations, which reads:

"In each country, the first step towards re-establishing a gold standard would be the balancing of the annual expenditure of the State without the certain of fresh credit unrepresented by new assets. The balancing of the budget is the first consideration."

What then about the budget for 1923-24? Is it going to be balanced? The Members of the Legislature are not the only people in India who are taking an interest in this question. Only a few days ago, I received the following postcard:

"Sir, kindly let us know by wire at our expense whether the customs duty will be decreased or increased on foreign imported wines and spirits. Awaiting your favourable reply by wire."

30. At the outset of my statement of the figures for 1923-24, I must explain what action the Government of India Retrenchment Committee propose to adopt in order to be able to show the results of the report of the Retrenchment Committee in the

budget figures. The first part of the report of the Inchcape Committee came into the hands of the Government little more than a fortnight ago, while the second part of the report reached us only on Saturday last and the third part yesterday. The complete and final report has not yet been signed. It has been a difficult problem to decide how to fit the proposals of the Retrenchment Committee into the budget. A report of this importance obviously requires careful and detailed examination by the Government of India in consultation with the Secretary of State, and the House will naturally desire an opportunity of studying the proposals on their merits. There has not been time, therefore, for final conclusions to be arrived at in regard to a great many of the Committee's recommendations. On the other hand, it was obviously necessary to frame a budget in which allowance would be made for the reductions in expenditure which we all expect to result from the Committee's work. In any circumstances, it would, of course, have been impossible, and it is clearly recognised by the Retrenchment Committee itself that it would be impossible, to obtain the full value of the cuts which are to be made in the first year of operation. Some of the retrenchments proposed can only be introduced gradually so that allowance has to be made for what I may call the "lag", while in many cases allowance has to be made for extra expenditure on what I may call the "terminal charges", i.e., special charges which have to be incurred in closing down establishments and getting rid of the staff. Throughout its report, the Committee's recommendations are given in the form of reductions on the budget figures for 1922-23, which are, of course, quite different from the budget figures for 1923-24 as they appear before allowance is made for special cuts based on the Committee's recommendations. A fair proportion of the total reductions recommended by the Committee are either automatic reductions on the 1922-23 figures or actual retrenchments which we ourselves have been able to effect in the budget for 1923-24 in advance of the receipt of the Committee's recommendations. The activities of the Committee cast their shadow before, and estimates prepared in the atmosphere of economy which they created naturally reflected part of that atmosphere.

31. In the Military budget, we have been able to take credit for the reductions, which, subject to final agreement with the authorities in London, we propose to effect as the outcome of the Retrenchment Committee's recommendations. This we were able to do because

Extent to which credit has been taken in Budget for retrenchment proposals.

we had advance knowledge of the reductions which were going to be proposed, and His Excellency the Commander-in-Chief, working in close co-operation with the Retrenchment Committee and with his Colleagues in the Government, had arrived at a general agreement in regard to the total. In the case of the Posts and Telegraphs budget, we have been able to present figures showing the effect for 1923-24 of some though not all of the reductions which we propose to effect in consequence of the recommendations of the Retrenchment Committee. Our preparations could not be so far advanced in regard to the other Civil Departments. It was necessary to prepare, for the purpose of presentation to this House, the estimates for the Demands for Grants before we had sufficient knowledge of the proposals which were going to be made by the Retrenchment Committee. The estimates for the Demands for Grants, which are about to be presented, accordingly show the figures of civil expenditure before allowance is made for special retrenchments consequent on the report of the Committee. As I have already explained, this does not mean that none of the results of what the Committee recommends appear in those estimates, but simply that the final retrenchments are not included in the figures.

32. Our problem, therefore, has been how to include in the budget statement the additional reductions which we hope to effect after studying the report of the Committee, and how to place the House in a position to examine and vote on the Demands for Grants in proper form. The Government are not yet in a position to announce definitely which of the particular recommendations of the Committee will be adopted; nor has it been possible to frame an accurate forecast of the allowance to be made for the fact that particular retrenchments cannot come into full effect as early as the 1st April 1923. But after giving careful consideration to the report, the Government of India have decided that they will be justified in taking the responsibility of saying that they believe that a reduction of 4 crores can be effected, over and above what has already been done, either in the ways proposed by the Retrenchment Committee or by some modification of them. A further paper will be circulated as soon as possible showing how this lump sum reduction of 4 crores is proposed to be spread over the various heads, and when the time comes for voting upon the Demands for Grants, the House will be asked to vote not the original total of each head but only the total as reduced in each case by the special cut made in the light of the Retrenchment Committee's recommendations. In the non-military portion of the Budget excluding interest, the Committee recommend reductions of about $8\frac{1}{2}$ crores on a total Budget estimate in 1922-23 of 103.9 crores. The corresponding figure in our detailed Budget statements for 1923-24 is 101.3 crores, a reduction of 2.6 crores. The House will see that our cut of 4 crores, together with the amount of 2.6 crores which represents retrenchments proposed by the Committee already taken account of in the estimates, makes a total of 6.6 crores. The difference between these two figures, amounting to less than 2 crores, represents the allowance which it is thought necessary to make for the fact that many of the recommendations, even if accepted, cannot be in full operation during 1923-24. This allowance is not a large one. The Government of India will do their utmost to make sure of converting their hopes into accomplished facts and will leave no stone unturned in their endeavour to make actual reductions to the full extent of the 4 crores. We must cut our coat according to our cloth, and where necessity drives, we must be content to forego even desirable outlays. But I cannot conceal from the House that it will task all our ingenuity to give full effect to the 4 crores reduction within the year 1923-24, and that some risks are being taken in assuming that figure for Budget purposes.

33. Some risks are also being taken in regard to our Military expenditure, risks of the same financial kind as in the case of Civil expenditure owing to the uncertainties caused by the circumstances in which our estimates have had to be framed, and risks of a military nature as well. In the case of Military expenditure the total for which the House will be asked to provide funds in 1923-24 is 62 crores. This figure represents, as I have already explained, the total required after taking into consideration the recommendations of the Retrenchment Committee. This total, which includes 1.69 crores for expenditure in Waziristan, compares with the total of $67\frac{1}{2}$ crores for 1922-23, a reduction of $5\frac{1}{2}$ crores.

34. Opportunity will arise in the ordinary course for a general discussion by this House of the Army expenditure, but I may say that in the forefront of these reductions and forming the pivot on which the other reductions depend is a substantial reduction in the strength of British and Indian forces.

I am not in a position to-day to give details of the reductions in troops which it is proposed to effect. These reductions are being discussed between the Government of India and His Majesty's Government. The form which the reductions should take is necessarily a matter of some intricacy and complication as it is desirable to impair as little as possible the essential structure and organisation of the Army and so to retain after the reductions the maximum degree of efficiency. The decision, as the House will understand, is also a very responsible one and the difficulties being what they are, there simply has not been time to arrive at final decisions. In any case the full financial effect of these reductions and of other proposals in regard to the military expenditure cannot for practical reasons be expected in the coming year. If these reductions and the others which have been agreed upon could have been fully and effectively in operation by the 1st of April 1923, the net Military budget for 1923-24 would be 57.75 crores, but a sum of 4.25 crores has to be allowed for special expenditure in Waziristan and for the fact that the reductions cannot be in full force throughout the year.

35. It is not my intention to-day to go through the expenditure for 1923-24 in detail. Full statements under the various heads will be circulated, and I think it will be for the convenience of the House that I should leave Honourable Members to study these for themselves. It will be enough for me to say now, therefore, that, as compared with the original Budget Estimate of expenditure for 1922-23 of 2,15.27 crores inclusive of the working expenses of commercial departments, our total expenditure for 1923-24, taking sterling expenditure at the rate of exchange of 1s. 4d per rupee, is estimated to be 2,04.37 crores, a reduction of 11 crores in spite of an increase of 1½ crores for interest.

Revenue, 1923-24.

36. I turn now to the Revenue. In framing our revenue forecast, we have assumed that trade conditions will continue much as they are at present. We have allowed, that is, for a small growth in revenue such as may normally be expected from year to year; we have not counted upon any early boom in foreign trade.

37. Under Customs, I do not think we can prudently anticipate for next year imports of sugar on anything like the same scale as in 1921-22, and allowing for the new tariff valuation we estimate a revenue from sugar of 5 crores as against 4½ crores for the current year. As regards the other tariff heads, we have either repeated the figure which we anticipate for the current year, or have provided for a small increase where an expansion seems probable. Altogether we assume a total gross revenue of 45.99 crores, or, allowing for refunds, a net revenue of 45.09 crores, which is 2.79 lakhs more than what we now expect to collect in the current year. This figure is arrived at after allowing for a reduction to 5 per cent. all round of the export duty on hides and skins, a reduction necessitated by the state of the trade.

38. As regards Income Tax, we shall not again have to make the heavy refunds to which I have already referred; on the other hand, there is fairly certain to be a falling off of revenue in Bombay, while the collection of arrears will also be less; these may be expected to balance each other, and we have entered a revenue of 19 crores, which is roughly the same as we expect to raise this year.

39. I come now to the Railway budget. There is no doubt that as soon as any marked revival in internal trade takes place, Railway earnings ought to show a considerable rise; the autumn harvest has been so good and the promises for the spring crop are so favourable that it is not unreasonable to expect a revival before long. The difficulty is to say how soon this revival will occur. Traffic receipts suffered a check in 1922-23, and on the whole I do not think it is safe to budget on the assumption that there will be a very rapid revival in 1923-24. Our estimate for gross traffic receipts is accordingly put at 95½ crores. It is 3½ crores higher than the revised estimate for 1922-23. Two factors account in the main for this increase of 3½ crores. The first is that in the earlier months of 1922-23 there was a considerable loss of revenue due to the strike on the East Indian Railway and the second is that the present increased rates did not come fully into effect on all Railways until about the 1st of July 1922.

Working expenses and interest and other charges, without allowing for the share attributable to this head of the Inchcape Committee's cuts, amount to nearly the same figure, leaving a net profit for the year of 35 lakhs which compares with the net loss on the current year's budget as now revised of ₹92,60,000.

40. In the case of Posts and Telegraphs, we are able to estimate for a net receipt of 1.47 lakhs as compared with the net receipt of 24 lakhs in the 1922-23 budget as revised. This improvement is due in part to expected recovery in revenue and in part to reductions in working expenses made in anticipation of, or in consequence of, the recommendations of the Retrenchment Committee.

41. We thus arrive at the following budget position on the basis of existing taxation. As against an expenditure of 2.04-37 crores, we have an expected revenue of 1.98-52 crores, leaving a deficit of 5.85 crores. Before I proceed to explain to the House what we propose to do in regard to this deficit, I must turn for a moment to our ways and means position.

V.—WAYS AND MEANS.

42. Public attention is usually concentrated on the annual budget of revenue and expenditure, but the Ways and Means budget is of equal importance, for after all it is the Ways and Means budget which shows the sums which the Government has to pay out under one head or another during the year and the sums which it has to get in from the public. Whether it is a provincial overdraft or an advance on capital account, or whether it is a revenue deficit, the money to meet the outgoing has to be got in before it can go out. The Ways and Means budget is, however, one which it is difficult to present in a clear and easily intelligible form. It is never possible to adhere to a strict programme in regard to Ways and Means operations. In financing the country's various liabilities and in finding cash for our own and the provinces' day to day disbursements, we have to be guided very largely by the changing conditions of the money market both here and in London.

43. During the current year we expect to meet liabilities, over and above what has been met from revenue, amounting to 106 crores. These will have been financed mainly out of the proceeds of our rupee and sterling loans which have been on an unprecedentedly large scale. Our rupee

loan realised nearly 47 crores and £31½ millions was borrowed in London during the year. One satisfactory feature of the year, to which I have already referred, is that out of these borrowings we have been able to reduce our floating debt by 40·6 crores, of which 32·4 crores consists of a net discharge of Treasury Bills held by the public and 8·2 crores of a cancellation of Treasury Bills held in the Currency Reserve. We cannot hope to continue the reduction of floating debt on the same scale over a long period, but I feel sure that the House will agree with me that it must be our constant policy to secure the early extinction of the floating debt by its conversion into securities of longer term.

44. Our sterling borrowings have facilitated the provision in London of the sums required to meet our sterling obligations during the year. But advantage has been taken of the strengthening of exchange which occurred at the New Year to effect remittance by the method of selling Council Bills. Weekly sales have been taking place of moderate amounts since the beginning of January, and we have thereby been placing funds in London at a moment which, although somewhat in advance of actual requirements, is nevertheless convenient to the market. We anticipate that our balance in London will be about £8 millions on the 31st March 1923 as against a normal minimum balance of £4 millions, but the surplus will be required early in the new financial year.

45. The following statement summarises the Ways and Means operations for India and England together during 1922-23 and 1923-24:

Summary.

Liabilities.

	(Crores of rupees.)	
	Revised.	Budget.
Railway capital outlay	21·4	38·6
Delhi, Irrigation and Telegraph capital outlay	3·0	2·9
Discharge of funded debts, etc.	12·4	5·2
Discharge of Treasury Bills—		
With the public	32·4	5·5
In the Paper Currency Reserve	8·2	
Loans to Provincial Governments	11·4	13·5
Central Government's revenue deficit	17·3	...
Drawings of Provincial Governments	...	1·3
	<u>1,03·1</u>	<u>67·0</u>

Met as follows:

Central Government's revenue surplus		·2
Surplus revenue of Provincial Governments	1·0	...
Rupee loans	47·3	25·0
Sterling loans (converted at 1s. 4d.)	47·3	22·7
Net receipts from Savings Bank deposits, etc.	3·1	5·0
Miscellaneous items	2·5	2·2
Reduction of cash balances	5·3	11·9
	<u>1,03·1</u>	<u>67·0</u>

46. In 1923-24, if the measures which I propose are adopted, we shall not again have to face the necessity of financing a large revenue deficit. Our largest liability will be for Railway Capital outlay. During 1922-23, it has not been possible to spend the full 30 crores allotted under the 5-year programme; there will be a large carry forward. We are adding this to the 30 crores for next year, making a total of 38·6 crores to be provided for

capital expenditure on Railways in 1923-24. We have about 5½ crores of maturing bonds to meet, and our other Capital outlay is expected to reach about 3 crores. Loans or overdrafts to the Provincial Governments will absorb 13½ crores, the greater part of which will go to the Bombay Government for expenditure on their Development scheme.

47. We expect to start the year, as I have already said, with a cash balance of £8 millions in London. We are assuming, for the purpose of the Ways and Means estimate, that we shall be able to raise £15 millions by new sterling borrowings. We are assuming for budget purposes also that we shall be able to secure a rupee loan of 25 crores. With these resources, we hope to meet the liabilities I have mentioned, and in addition to effect a further reduction of five or six crores in our floating debt. In addition to the new sterling borrowings of £15 millions we estimate that we shall require to remit £27 millions to London from India during 1923-24. It is unnecessary, I think, for me to discuss at the present moment the various alternative methods of effecting this remittance. In addition to the ordinary method of purchase of exchange, the £5½ millions in the Paper Currency Reserve in London, and after that the Gold Standard Reserve of £40 millions, can be drawn upon against an equivalent earmarking of rupees for those Reserves in India. Which particular combination of the various methods available will be adopted is a matter upon which it is impossible for Government to commit themselves in advance, since much must depend upon exchange conditions during the year.

VI.—PROVINCIAL CONTRIBUTIONS.

48. There is another subject on which I should like to say a word owing to its close connection with the problem of covering our deficit, and that is the vexed question of the provincial contributions. I do not think that any one considering Indian finances at the present time can fail to be impressed by the undesirability of a long continuance of the present unsatisfactory position in regard to the provincial contributions. The Government of India have stated plainly that, as soon as they are able to do so, they intend to reduce, and eventually extinguish, these contributions. I am aware that this is not the solution which finds universal favour, though I think this is what the majority of the Provincial Governments desire. But so long as we have a deficit in the Central budget, it is obviously impossible for us to make a beginning with the reduction of provincial contributions. Meanwhile, every Provincial Government, without exception, is finding very great difficulty in balancing its budget. The majority, I am afraid, did not succeed in doing so in 1922-23, though they are doing better I am glad to see for 1923-24. It has been suggested to me by more than one spokesman for the provinces that there is a feeling in the minds of the Provincial Governments and of their Legislatures that it would be unwise for them to show balanced budgets. They are, it is hinted, taking a leaf out of the book of some charitable and religious bodies which make a habit of showing an annual deficit in order to make a striking appeal to their supporters to come to their rescue. The Provincial Governments think, it is said, that they will get more sympathy from the Central Government and get rid of their provincial contributions quicker if they can show a handsome deficit and appeal to the charity of the Central Government. I should like to say for my part that the strongest appeal that the Provincial Governments can make to me in this matter of

the Provincial contributions is to show themselves worthy of assistance from the Central Government by strenuous and successful endeavours to make both ends meet for themselves. Much, therefore, as we should have liked to be able to make a beginning of the reduction of the provincial contributions, it is obvious that this year we must confine ourselves to an attempt to deal with our own deficit. I would, however, add this appeal to all who are interested in a reduction in the provincial contributions. Let them give us their full support in any measures we propose for securing a balanced Central budget in the certainty that by so doing they are hastening the day when the contributions can begin to be released.

VII.—PROPOSALS FOR DEALING WITH THE DEFICIT.

49. What then is to be done about the deficit of 5.85 crores? First of all, we propose to make an adjustment which, though little more than a change in methods of book-keeping, has the effect of reducing the apparent figure of the deficit by 1.59 crores. It is proposed to ask the House to continue during 1923-24 the arrangement made a year ago for crediting to revenue the interest on the securities in the Paper Currency Reserve. There is a similar source of income in the interest on the £40,000,000 in the Gold Standard Reserve, which is expected to amount to 1.59 crores in 1923-24. This is, in essence, of the same nature as the interest on the Paper Currency Reserve's investments, and we propose for 1923-24 to treat it in the same way. This change does not really add anything to our available resources or alter our Ways and Means position, but I think it is justified on merits.

50. We are thus left with a deficit of 4.26 crores, and the only way left for meeting it is by additional taxation. If the House will turn its mind back for a moment to what I said about the accrued deficits of the last five years, it will recognise that it cannot leave the deficit of 4½ crores untouched. It will perhaps be asked whether the fact that several crores in the military expenditure and a considerable additional amount in the non-military expenditure represents non-recurrent expenditure due to "lag" and "terminal charges" would not justify the deficit being allowed to continue for one more year. This argument unfortunately does not represent the full facts. If some crores in the military budget represent non-recurrent expenditure, on the other hand over 2 crores of the cuts made in the military budget represent non-recurrent savings, being arrived at simply by a reduction in stores. Similar considerations apply to some of the other cuts both in the military and the non-military budgets, in particular in the railway budget. Moreover, some terminal charges will still have to be met in 1924-25. Whatever our hopes may be, we have no reasonable certainty that the budget for 1924-25 would balance on the basis of present taxation. Moreover we have not yet begun to provide anything towards making good past deficits. If 1924-25 were to turn out much better than it is possible to promise at this moment, we can, if we have got through 1923-24 without a deficit, turn our thoughts to reduction of the provincial contributions.

51. Our conclusion, therefore, is that we must ask for some increase in taxation. No one likes new taxation. It is a disappointment to the House, and it was a great disappointment to me, that new taxation is needed at all. If he is wise, a Finance Member dislikes new expenditure and dislikes new taxation even more. But most of all, he loathes and abhors

a deficit. I hope the House will agree that I have demonstrated to the full the absolute impossibility of its leaving a sixth year's deficit of 4½ crores to be added to the appalling aggregate of 100 crores of the deficits of the last five years. The House would be false to its trust if it allowed the Government to adopt so pusillanimous and mischievous a course. The credit of India is in jeopardy. It is already under the cloud of the deficits of the last five years. But India's financial record has been so good for decades preceding those five years that hitherto the damage is not irreparable. The world has trust in India's record and has felt sure that the era of deficits could only be a passing phase: It is our duty to-day to justify that trust. We have made drastic cuts in our expenditure, but we have not achieved a balance. New taxation is, therefore, inevitable.

52. What form then is the new taxation to take? We have carefully reviewed the existing taxes. In particular, we have examined those taxes which were proposed last year and not accepted. One after another we have

Increase in Salt duty.
had to reject promising expedients, and finally we have come to the conclusion that the right course is to ask the House to agree to an increase in the salt tax to ₹2-8 a maund. In a full year, this increase is estimated to yield 6 crores, but we cannot count on its bringing in more than 4½ crores in 1923-24. The House will see that this additional revenue is just sufficient to cover the deficit of 4½ crores, to give us a balanced budget, and to leave us a small surplus of 24 lakhs. In view of the uncertainties of our estimates of expenditure, this House will agree that this is not an undue margin to leave over for contingencies.

CONCLUSION.

53. My allotted task is finished. I have laid before the House the Government of India's account of their stewardship for the year that is passing and their proposals for the year 1923-24. I am painfully conscious of the responsibility which attaches to the Member introducing the budget. He cannot hope that his proposals will receive universal approbation. I have no doubt that when the details of our proposed expenditure come up for discussion, some Members will criticise this or that retrenchment as iniquitous and the retention of this or that item of expenditure as outrageous. Some other Members will disagree entirely with them on one or other or both of these criticisms. But all will manage to disagree with me on some point or other. I hope none the less that the Government of India will receive the credit which I claim is their due for courageously shouldering their burden and boldly coming forward with a budget which, at one and the same time, effects drastic reductions in expenditure and calls for a further sacrifice in the form of new taxation. I appeal to the House for one last long and strong pull, all of us pulling together, in the confident assurance that so doing we shall quickly get the boat out of the vicious current which is threatening to drag India down on to the rocks of insolvency. Once back in safe waters, I have every hope that in a surprisingly short time we shall find ourselves on the flood tide of prosperity, and shall be able to turn our minds to pleasant thoughts of reduced provincial contributions, reduced taxation, and increased devotion of our resources to the development of India. I was struck a little more than a week ago by a remark that fell from Sir Deva Prasad Sarvadhikary when, speaking on the Racial Distinctions Bill, he said that the House had had three red letter days in succession. Let us crown our successes by a fourth red letter day, and end our Session with a balanced budget.

BASIL P. BLACKETT.

The 1st March 1923.

BUDGET

of the

GOVERNMENT OF INDIA,

MARCH 1923.

ACCOUNTS	1921-22
REVISED ESTIMATES	1922-23
BUDGET ESTIMATES	1923-24

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I.--General Statement of the Revenue and Expenditure charged to-

	For details, vide Statement:	Accounts, 1921-22.	Budget Estimate, 1922-23.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
		Rs.	Rs.	Rs.	Rs.
Revenue—					
Principal Heads of Revenue—					
Customs	A	34,40,98,881	45,41,84,000	42,30,03,000	45,09,41,000
Taxes on Income	"	18,74,13,424	22,11,39,000	18,69,31,000	19,04,64,000
Salt	"	6,34,37,848	6,86,03,000	7,17,84,000	11,75,00,000
Opium	"	3,07,24,798	3,09,30,000	3,98,68,000	3,93,12,000
Other Heads	"	2,20,16,921	2,35,65,000	2,37,37,000	2,44,97,000
TOTAL PRINCIPAL HEADS.		64,76,91,372	79,84,41,000	74,53,23,000	82,27,14,000
Railways : Net Receipts	"	15,20,82,829	31,10,94,000	25,31,31,000	28,26,58,000
Irrigation : Net Receipts	"	5,94,141	7,22,000	10,26,000	10,63,000
Posts and Telegraphs : Net Receipts	"	56,52,778	1,75,28,000	90,58,000	2,03,44,000
Interest Receipts	"	1,11,00,700	84,31,000	1,04,11,000	2,50,96,000
Civil Administration	"	77,29,211	86,49,000	56,20,000	62,08,000
Currency, Mint and Exchange	"	4,37,42,093	3,22,31,000	3,53,10,000	2,69,26,000
Civil Works	"	11,33,782	10,92,000	11,25,000	10,69,000
Miscellaneous	"	(a) 7,18,56,875	66,11,000	67,62,000	48,34,000
Military Receipts	"	8,06,93,832	5,54,14,000	5,01,01,000	2,81,23,000
Contributions and Assignments to the Central Government by Provincial Governments	"	12,98,72,704	9,20,65,000	9,21,50,000	9,21,36,000
TOTAL REVENUE		1,15,21,50,317	1,33,22,78,000	1,21,00,17,000	1,31,11,71,000
DEFICIT		27,65,01,700	9,16,28,000	17,25,35,000	
TOTAL		1,42,86,52,017	1,42,39,06,000	1,38,25,52,000	1,31,11,71,000

(a) Includes proceeds of freight tax which was replaced from 1922-23 by increased goods rates.

DELHI,
FINANCE DEPARTMENT,
March 1, 1923.

M. F. GAUNTLETT,
Auditor General.

BUDGET FOR 1923-24.

23

Revenue of the Central Government, in India and in England.

	For details, vide Statement.	Accounts, 1921-22.	Budget Estimate, 1922-23.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
		Rs.	Rs.	Rs.	Rs.
Expenditure—					
Direct Demands on the Revenues	B	5,27,12,199	5,53,32,000	5,30,73,000	5,50,88,000
Railways : Interest and Miscellaneous Charges	"	24,29,82,572	25,98,53,000	26,23,91,000	27,91,32,000
Irrigation	"	14,48,454	11,19,000	12,25,000	14,20,000
Posts and Telegraphs	"	1,66,00,497	97,32,000	66,42,000	56,54,000
Debt Services	"	15,99,70,014	15,20,09,000	15,17,90,000	17,21,57,000
Civil Administration	"	9,40,80,047	9,74,06,000	10,01,05,000	10,46,35,000
Currency, Mint and Exchange.	"	1,07,48,311	(b) 10,81,72,000	1,59,23,000	1,13,45,000
Civil Works	"	1,54,20,200	1,61,49,000	1,50,01,000	1,87,63,000
Miscellaneous	"	5,58,91,333	4,05,91,000	5,30,32,000	5,21,13,000
Lump allowance for further retrenchment in Civil expenditure (including Railways).	"	...	...	...	4,00,00,000
Military Services	"	77,87,98,340	67,72,14,000	72,29,79,000	64,81,23,000
Miscellaneous adjustments between the Central and Provincial Governments	"	...	63,29,000	3,86,000	3,62,000
TOTAL EXPENDITURE CHARGED TO REVENUE		1,42,86,52,017	1,42,39,06,000	1,38,25,52,000	1,30,87,92,000
SURPLUS		...	...	...	23,79,000
TOTAL		1,42,86,52,017	1,42,39,06,000	1,38,25,52,000	1,31,11,71,000

(b) Includes adjustment for exchange on net expenditure in England which has been distributed among the individual heads of account in the Accounts for 1921-22, the Revised estimates for 1922-23 and the Budget estimates for 1923-24.

A. C. McWATTERS,
Controller of the Currency.

E. M. COOK,
Secretary to the Government of India.

II.—General Statement of the Receipts and Disbursements of the

	For details, vide State- ment.	RECEIPTS.			
		Accounts, 1921-22.	Budget Estimate, 1922-23.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
		Rs.	Rs.	Rs.	Rs.
Surplus	C	...	...	...	23,79,000
Railway Capital not charged to Revenue—					
Capital contributed by Railway Companies and Indian States towards construction of State Railways	"	63,88,170	3,66,74,000	26,78,000	4,51,26,000
Debt, Deposits and Advances—					
Permanent Debt (net incurred)	"	42,26,70,108	41,21,93,000	66,45,36,000	33,15,56,000
Floating Debt (net incurred)	"	6,92,60,000	...	...	...
Unfunded Debt (net incurred)	"	4,62,46,893	3,07,15,000	3,14,11,000	5,01,85,000
Deposit and Advances (net)	"	18,71,20,018	24,76,67,000	17,98,76,000	12,31,17,000
Loans and Advances by Central Government (net Repayments)	"	...	9,74,000	18,99,000	6,67,000
Remittances (net)	"	3,24,36,065	1,41,53,000	...	...
Secretary of State's Bills drawn	"	...	...	3,27,00,000	...
Balances of Provincial Govern- ments (net)	"	...	...	1,02,29,000	...
TOTAL DEBT, DEPOSITS AND ADVANCES	...	75,77,33,084	70,57,02,000	92,06,51,000	50,55,25,000
TOTAL RECEIPTS	...	76,41,21,254	74,43,76,000	92,33,29,000	55,30,30,000
Opening Balance—India	...	13,83,56,901	22,48,09,901	25,66,13,170	21,83,56,170
England	...	7,20,98,319	7,00,48,319	8,99,53,817	8,04,01,817
TOTAL	...	97,45,76,474	1,03,92,34,220	1,26,98,95,987	84,67,87,987

M. F. GAUNTLETT,

*Auditor General.*DELHI,
FINANCE DEPARTMENT,

March 1, 1923.

BUDGET FOR 1923-24.

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Central Government, in India and in England.

	For details, vide State-ment.	DISBURSEMENTS.			
		Accounts, 1921-22.	Budget Estimate, 1922-23.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
	C	Rs.	Rs.	Rs.	Rs.
Deficit.		27,65,01,700	9,16,28,000	17,25,35,000	
Railway, Irrigation, Posts and Telegraphs and other Capital not charged to Revenue—					
Construction of State Railways	"	22,96,38,935	30,00,00,000	21,36,05,000	38,63,95,000
Capital outlay on Indian Postal and Telegraph Department	"	81,61,617	1,45,00,000	1,10,36,000	96,22,000
Construction of Irrigation Works	"	1,18,180	2,69,000	2,00,000	22,000
Initial expenditure on new Capital at Delhi	"	1,35,27,418	2,00,00,000	1,91,50,000	1,97,00,000
Payments for discharge of Debentures (net).	"	7,85,276	3,60,49,000	60,00,000	4,51,26,000
TOTAL CAPITAL ACCOUNT DISBURSEMENTS	...	25,22,31,426	37,08,18,000	24,99,91,000	46,08,65,000
Debt, Deposits and Advances.					
Permanent Debt (net discharged)	"
Floating Debt (net discharged)	"	...	29,94,46,000	40,65,00,000	5,50,00,000
Deposits and Advances (net)	"
Loans and Advances by Central Government (net Advances)	"	1,47,235	...	...	...
Loans between Central and Provincial Governments (net Advances)	"	6,38,28,435	5,50,00,000	11,43,11,000	13,46,77,000
Remittances (net)	"	51,01,000	30,15,000
Secretary of State's Bills paid.	"	2,77,00,000	50,00,000
Balances of Provincial Governments (net)	"	3,53,00,691	4,35,44,000	...	1,28,30,000
TOTAL DEBT, DEPOSITS AND ADVANCES	...	9,92,76,361	39,79,90,000	55,36,12,000	21,05,22,000
TOTAL DISBURSEMENTS	...	62,80,09,487	86,04,36,000	97,61,38,000	67,13,87,000
Closing Balance—India	...	25,66,13,170	13,63,34,901	21,33,56,170	13,28,47,170
England	...	8,99,53,817	4,24,63,319	8,04,01,817	4,25,53,817
TOTAL	...	97,45,76,474	1,03,92,34,220	1,26,98,95,987	84,67,87,987

A. C. McWATTERS,
Controller of the Currency.

E. M. COOK,
Secretary to the Government of India.

A.—Statement of the Revenue of the

HEADS OF REVENUE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Principal Heads of Revenue—					
I.—Customs	34,40,98,381	...	...	34,40,98,381	1
II.—Taxes on Income	18,74,13,424	...	...	18,74,13,424	2
III.—Salt	6,34,37,848	...	...	6,34,37,848	3
IV.—Opium	3,07,24,798	...	...	3,07,24,798	4
V.—Land Revenue	33,18,286	...	...	33,18,286	5
VI.—Excise	53,80,399	...	...	53,80,399	6
VII.—Stamps—					
A.—Non-judicial	...	...	...	...	7
B.—Judicial	24,61,081	...	...	24,61,081	8
VIII.—Forest	19,68,643	...	...	19,68,643	9
IX.—Registration	1,70,705	...	...	1,70,705	10
X.—Tributes from Indian States	87,17,807	...	...	87,17,807	11
TOTAL	64,76,91,372	...	...	64,76,91,372	12
Railways—					
XI.—State Railways—					
Gross Receipts	81,61,93,079	4,85,127	2,49,171	81,69,27,377	13
Deduct—Working Expenses	65,66,78,003	...	...	65,66,78,003	14
Surplus Profits paid to Companies	1,06,40,122	...	...	1,06,40,122	15
Net Receipts	14,88,74,954	4,85,127	2,49,171	14,96,09,252	16
XII.—Subsidised Companies	3,32,795	14,25,370	7,15,412	24,73,577	17
TOTAL	14,92,07,749	19,10,497	9,64,583	15,20,82,829	18
Irrigation, etc.—					
XIII.—Works for which Capital accounts are kept	5,92,895	...	...	5,92,895	19
XIV.—Works for which no Capital accounts are kept	1,246	...	...	1,246	20
TOTAL	5,94,141	...	...	5,94,141	21
Posts and Telegraphs—					
XV.—Gross Receipts	9,33,54,859	14,48,633	6,99,509	9,55,03,001	22
Deduct—Working Expenses	8,95,24,346	2,13,655	1,12,222	8,98,50,223	23
Net Receipts	38,30,513	12,34,978	5,87,287	56,52,778	24
Interest Receipts—					
XVI.—Interest	73,11,669	25,02,143	12,86,888	1,11,00,700	25
Carried over	80,86,35,444	56,47,618	28,38,758	81,71,21,820	

* Sterling converted into Rupees at £ 1 = Rs. 10.

REVISED ESTIMATE, 1922-23.				
Item Number.	India.	England.	Exchange.	TOTAL.
	Rs.	Rs.	Rs.	Rs.
1	42,30,03,000	...	...	42,30,03,000
2	18,69,31,000	...	...	18,69,31,000
3	7,17,84,000	...	...	7,17,84,000
4	3,98,68,000	...	...	3,98,68,000
5	43,81,000	...	...	43,81,000
6	51,67,000	...	...	51,67,000
7	9,15,000	...	...	9,15,000
8	15,67,000	...	...	15,67,000
9	26,16,000	...	...	26,16,000
10	1,51,000	...	...	1,51,000
11	89,40,000	...	...	89,40,000
12	74,53,23,000	...	...	74,53,23,000
13	92,00,00,000	4,84,000	2,42,000	92,07,26,000
14	66,33,85,000	...	...	66,33,85,000
15	68,07,000	...	...	68,07,000
16	24,98,08,000	4,84,000	2,42,000	25,05,34,000
17	7,73,000	12,16,000	6,08,000	25,97,000
18	25,05,81,000	17,00,000	8,50,000	25,31,31,000
19	10,70,000	-33,000	-17,000	(a) 10,20,000
20	6,000	...	...	6,000
21	10,76,000	-33,000	-17,000	10,26,000
22	10,01,69,000	14,77,000	7,39,000	10,23,85,000
23	9,27,23,000	3,96,000	1,98,000	9,33,27,000
24	74,36,000	10,81,000	5,41,000	90,58,000
25	80,00,000	16,07,000	8,04,000	1,04,11,000
	1,01,24,16,000	43,55,000	21,78,000	1,01,69,49,000

(a) Represents net receipts after deduction of Rs. 12,14,000 on account of working expenses.

BUDGET ESTIMATE, 1922-24.				Item Number.
Increase (+) Decrease (-) as compared with Budget Estimate, 1922-23.	India.	* England.	Exchange.	
Rs.	Rs.	Rs.	Rs.	
-3,11,81,000	45,09,41,000	...	...	1
-3,42,03,000	19,04,64,000	...	...	2
+31,81,000	11,75,00,000	...	...	3
+89,33,000	3,93,12,000	...	...	4
-12,000	43,94,000	...	...	5
-4,55,000	52,58,000	...	...	6
-93,000	9,66,000	...	...	7
+1,46,000	16,15,000	...	...	8
+4,48,000	34,57,000	...	...	9
-17,000	1,62,000	...	...	10
+1,35,000	86,45,000	...	...	11
-5,31,18,000	82,27,14,000	...	...	12
-7,50,00,000	95,50,00,000	4,83,000	2,41,000	13
+1,71,89,000	66,51,50,000	...	...	14
-8,07,000	93,77,000	...	...	15
-5,86,18,000	27,99,73,000	4,83,000	2,41,000	16
+6,55,000	4,76,000	9,90,000	4,95,000	17
-5,79,63,000	28,04,49,000	14,73,000	7,36,000	18
+3,62,000	11,26,000	-45,000	-22,000	19
+2,000	4,000	...	...	20
+3,04,000	11,30,000	-45,000	-22,000	21
-91,69,000	10,52,03,000	13,20,000	6,60,000	22
+6,99,000	8,63,38,000	3,34,000	1,67,000	23
-84,70,000	1,88,65,000	9,86,000	4,93,000	24
+19,80,000	81,74,000	-1,12,81,000	56,41,000	25
-11,72,67,000	1,13,13,32,000	1,36,95,000	68,48,000	26

* Sterling converted into Rupees at £1 = Rs. 10.

Central Government, in India and in England.

Item Number.	BUDGET ESTIMATE, 1923-24.		Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	HEADS OF REVENUE.
	TOTAL.				
	Rs.	Rs.	Rs.		
1	45,09,41,000	-32,43,000	+2,79,38,000		Principal Heads of Revenue—
2	19,04,64,000	-3,06,75,000	+35,33,000		I.—Customs.
3	11,75,00,000	+4,88,97,000	+4,57,16,000		II.—Taxes on Income.
4	3,93,12,000	+83,82,000	-5,56,000		III.—Salt.
5	43,94,000	+1,000	+13,000		IV.—Opium.
6	52,58,000	-3,64,000	+91,000		V.—Land Revenue.
7	9,66,000	-42,000	+51,000		VI.—Excise.
8	16,15,000	+1,94,000	+43,000		VII.—Stamps— A.—Non-judicial. B.—Judicial.
9	34,57,000	+12,89,000	+8,41,000		VIII.—Forest.
10	1,62,000	-6,000	+11,000		IX.—Registration.
11	86,45,000	-1,60,000	-2,95,000		X.—Tributes from Indian States.
12	82,27,14,000	+2,42,73,000	+7,73,91,000		TOTAL.
13	95,57,24,000 (a)	-4,00,02,000	+3,49,98,000		Railways—
14	66,51,50,000 (b)	+1,54,24,000	-17,65,000		XI.—State Railways— Gross Receipts. Deduct—Working Expenses.
15	98,77,000	-38,77,000	-30,70,000		Surplus Profits paid to Companies.
16	28,06,97,000	-2,84,55,000	+3,01,63,000		Net Receipts.
17	19,61,000	+19,000	-6,36,000		XII.—Subsidised Companies.
18	28,26,58,000	-2,84,36,000	+2,95,27,000		TOTAL.
19	10,59,000 (c)	+3,41,000	+39,000		Irrigation, etc.—
20	4,000	...	-2,000		XIII.—Works for which Capital accounts are kept.
21	10,63,000	+3,41,000	+37,000		XIV.—Works for which no Capital accounts are kept.
22	10,71,83,000 (d)	-43,71,000	+47,98,000		Posts and Telegraphs—
23	8,68,39,000	+71,87,000	+64,88,000		XV.—Gross Receipts. Deduct—Working Expenses.
24	2,03,44,000	+28,16,000	+1,12,86,000		Net Receipts.
25	2,50,96,000	+1,66,65,000	+1,46,85,000		Interest Receipts—
	1,15,18,75,000	+1,56,59,000	+13,29,26,000		XVI.—Interest. Carried over.

(a) Of this amount Rs. 34,07,000 is non-voted and the balance of Rs. 66,17,43,000 is voted

(b) The whole of this amount is voted.

(c) Represents net receipts after deduction of Rs. 11,34,000 on account of working expenses of which Rs. 1,54,000 is non-voted and the balance of Rs. 9,80,000 is voted.

(d) Of this amount, Rs. 18,36,000 is non-voted and the balance of Rs. 8,50,03,000 is voted.

BUDGET FOR 1923-24.

A.—Statement of the Revenue of the Central

HEADS OF REVENUE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward	80,86,35,444	56,47,618	28,38,758	81,71,21,820	
Civil Administration—					
XVII.—Administration of Justice	3,33,367	...	...	3,33,367	1
XVIII.—Jails and Convict Settlements	8,10,099	...	...	8,10,099	2
XIX.—Police	15,16,019	...	...	15,16,019	3
XX.—Ports and Pilotage	21,94,410	...	...	21,94,410	4
XXI.—Education	1,22,888	...	...	1,22,888	5
XXII.—Medical	55,495	1,361	700	57,556	6
XXIII.—Public Health	2,49,205	...	...	2,49,205	7
XXIV.—Agriculture	5,10,958	...	...	5,10,958	8
XXV.—Industries . . . . .	...	...	...	...	9
XXVI.—Miscellaneous Departments	19,34,709	...	...	19,34,709	10
TOTAL	77,27,150	1,361	700	77,29,211	11
Currency, Mint and Exchange—					
XXVII.—Currency	3,60,90,284	40,69,643	20,93,075	4,22,53,002	12
XXVIII.—Mint	14,89,091	...	...	14,89,091	13
TOTAL	3,75,79,375	40,69,643	20,93,075	4,37,42,093	14
Civil Works—					
XXX.—Civil Works	11,33,782	...	...	11,33,782	15
Miscellaneous—					
XXXIII.—Receipts in aid of Superannuation	21,85,545	3,88,518	1,99,820	27,73,883	16
XXXIV.—Stationery and Printing	8,58,925	12,024	6,184	8,77,133	17
XXXV.—Miscellaneous	5,87,31,804	62,56,334	32,17,721	6,82,05,859	18
TOTAL	6,17,76,274	66,56,876	34,23,725	7,18,56,875	19
Carried over	91,68,52,025	1,63,75,498	83,56,258	94,15,83,781	

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.				
Item Number.	India.	* England.	Exchange.	TOTAL.
	Rs.	Rs.	Rs.	Rs.
	1,01,24,16,000	43,55,000	21,78,000	1,01,89,49,000
1	3,59,000	...	...	3,59,000
2	8,24,000	...	...	8,24,000
3	1,63,000	...	...	1,63,000
4	21,78,000	...	...	21,78,000
5	1,27,000	...	...	1,27,000
6	51,000	1,000	...	52,000
7	1,25,000	...	...	1,25,000
8	4,79,000	...	...	4,79,000
9	2,000	...	...	2,000
10	13,11,000	...	...	13,11,000
11	56,19,000	1,000	...	56,20,000
12	3,14,27,000	14,57,000	7,29,000	3,36,13,000
13	16,96,000	1,000	...	16,97,000
14	3,31,23,000	14,58,000	7,29,000	3,53,10,000
15	11,25,000	...	...	11,25,000
16	19,62,000	3,68,000	1,84,000	25,14,000
17	15,25,000	6,000	3,000	15,34,000
18	8,01,000	12,75,000	6,38,000	27,14,000
19	42,88,000	16,49,000	8,25,000	67,62,000
	1,05,65,71,000	74,63,000	37,32,000	1,06,77,66,000

Increase (+) Decrease (-) as compared with Budget Estimate, 1922-23.	BUDGET ESTIMATE, 1923-24.			Item Number.
	India.	* England.	Exchange.	
Rs.	Rs.	Rs.	Rs.	
-11,72,67,000	1,13,13,32,000	1,36,95,000	68,48,000	
+10,000	3,64,000	...	...	1
-2,87,000	9,09,000	...	...	2
-12,00,000	1,64,000	...	...	3
-2,43,000	24,51,000	...	...	4
+10,000	1,33,000	...	...	5
+2,000	1,07,000	...	...	6
-1,62,000	1,22,000	...	...	7
-2,01,000	5,01,000	...	...	8
-1,98,000	...	...	...	9
-7,40,000	14,37,000	...	...	10
-30,29,000	62,08,000	...	...	11
+33,00,000	2,59,40,000	3,30,000	1,65,000	12
-2,21,000	4,90,000	1,000	...	13
+30,79,000	2,64,30,000	3,31,000	1,65,000	14
+33,000	10,69,000	...	...	15
+2,13,000	19,95,000	3,51,000	1,76,000	16
-2,07,000	11,67,000	7,000	3,000	17
+1,45,000	3,64,000	5,14,000	2,57,000	18
+1,51,000	35,26,000	8,72,000	4,36,000	19
-11,70,33,000	1,16,85,65,000	1,48,98,000	74,49,000	

*Sterling converted into Rupees at £1 = Rs. 10.

BUDGET FOR 1923-24.

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Government, in India and in England—contd.

Item Number.	BUDGET ESTIMATE, 1923-24.	Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	HEADS OF REVENUE.
	TOTAL.			
	Rs.	Rs.	Rs.	
	1,15,18,75,000	+1,56,59,000	+13,29,26,000	Brought forward.
				Civil Administration—
1	3,84,000	+35,000	+25,000	XVII.—Administration of Justice.
2	9,09,000	-2,02,000	+85,000	XVIII.—Jails and Convict Settlements.
3	1,64,000	-11,99,000	+1,000	XIX.—Police.
4	24,51,000	+30,000	+2,73,000	XX.—Ports and Pilotage.
5	1,33,000	+16,000	+6,000	XXI.—Education.
6	1,07,000	+57,000	+55,000	XXII.—Medical.
7	1,22,000	-1,85,000	-3,000	XXIII.—Public Health.
8	5,01,000	-1,79,000	+22,000	XXIV.—Agriculture.
9	...	-2,00,000	-2,000	XXV.—Industries.
10	14,37,000	-6,14,000	+1,26,000	XXVI.—Miscellaneous Departments.
11	62,08,000	-24,41,000	+5,88,000	TOTAL.
				Currency, Mint and Exchange—
12	2,64,35,000	-38,78,000	-71,78,000	XXVII.—Currency.
13	4,91,000	-14,27,000	-12,06,000	XXVIII.—Mint.
14	2,69,26,000	-53,05,000	-83,84,000	TOTAL.
				Civil Works—
15	10,69,000	-23,000	-56,000	XXX.—Civil Works.
				Miscellaneous—
16	25,22,000	+2,21,000	+8,000	XXXIII.—Receipts in aid of Superannuation.
17	11,77,000	-5,64,000	-3,57,000	XXXIV.—Stationery and Printing.
18	11,35,000	-14,34,000	-15,79,000	XXXV.—Miscellaneous.
19	48,34,000	-17,77,000	-19,28,000	TOTAL.
	1,19,09,12,000	+61,13,000	+12,31,46,000	Carried over.

BUDGET FOR 1923-24.

A.—Statement of the Revenue of the Central

HEADS OF REVENUE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward and	91,68,52,025	1,63,75,498	83,56,258	94,15,83,781	
Military Receipts—					
XXXVI.—Army—					
Effective	3,62,43,164	1,04,37,770	1,19,50,280	7,24,22,501	20 21
Non-effective	9,93,678	1,27,97,609			
	3,72,36,842	2,32,35,379	1,19,50,280	7,24,22,501	22
XXXVII.—Marine—	63,17,334	5,33,787	2,74,534	61,25,655	23
XXXVIII.—Military Works	21,45,676			21,45,676	24
TOTAL	4,46,99,852	2,37,69,166	1,22,24,814	8,06,93,832	25
Contributions and Assignments to the Central Government by Provincial Governments—					
XXXIX.—Contributions and Assignments to the Central Government by Provincial Governments	12,97,80,933	...	...	12,97,80,933	26
XL.—Miscellaneous adjustments between the Central and Provincial Governments	91,771	...	...	91,771	27
TOTAL	12,98,72,704	...	...	12,98,72,704	28
TOTAL REVENUE	1,09,14,24,581	4,01,44,664	2,05,81,072	1,15,21,50,317	29

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.

Item Number.	India.	* England.	Exchange.	TOTAL.
	Rs.	Rs.	Rs.	Rs.
	1,05,63,71,000	74,63,000	37,32,000	1,06,77,66,000
20	2,90,33,000	69,50,000	34,75,000	3,94,58,000
21	9,01,000	15,45,000	7,72,000	32,18,000
22	2,99,34,000	84,95,000	42,47,000	4,26,76,000
23	35,65,000	...	...	35,65,000
24	38,40,000	...	...	38,40,000
25	3,73,59,000	84,95,000	42,47,000	5,01,01,000
26	9,20,00,000	...	...	9,20,00,000
27	1,50,000	...	...	1,50,000
28	9,21,50,000	...	...	9,21,50,000
29	1,18,60,80,000	1,59,58,000	79,79,000	1,21,00,17,000

Increase (+) Decrease (-) as compared with Budget Estimate, 1922-23.	BUDGET ESTIMATE, 1923-24			Item Number.
	India.	* England.	Exchange.	
Rs.	Rs.	Rs.	Rs.	
-11,70,33,000	1,16,85,65,000	1,48,98,000	74,49,000	
-99,58,000	1,74,00,000	27,83,000	13,91,000	20
+7,73,000	9,98,000	11,95,000	5,98,000	21
-91,85,000	1,83,98,000	39,78,000	19,89,000	22
+15,62,000	21,29,000	...	...	23
+23,10,000	16,29,000	...	...	24
-53,13,000	2,21,56,000	39,78,000	19,89,000	25
...	9,20,00,000	...	...	26
+85,000	1,36,000	...	...	27
+85,000	9,21,36,000	...	...	28
-12,22,61,000	1,28,28,57,000	1,88,76,000	94,38,000	29

*Sterling converted into Rupees at £1=Rs. 10.

Government, in India and in England—*contd.*

Item Number.	BUDGET ESTIMATE, 1923-24.	Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	HEADS OF REVENUE.
	TOTAL.			
	Rs.	Rs.	Rs.	
	1,19,09,12,000	+61,13,000	+12,31,46,000	Brought forward
20	2,15,74,000	-2,78,42,000	-1,78,84,000	Military Receipts— XXXVI.—Army— Effective.
21	27,91,000	+3,46,000	-4,27,000	Non-effective.
22	2,43,65,000	-2,74,96,000	-1,83,11,000	
23	21,29,000	+1,06,000	-14,56,000	XXXVII.—Marine.
24	16,29,000	+99,000	-22,11,000	XXXVIII.—Military Works.
25	2,81,23,000	-2,72,91,000	-2,19,78,000	TOTAL.
26	9,20,00,000	...	...	Contributions and Assignments to the Central Government by Provincial Governments— XXXIX.—Contributions and Assignments to the Central Government by Provincial Governments.
27	1,36,000	+71,000	-14,000	XL.—Miscellaneous adjustments between the Central and Provincial Governments.
28	9,21,36,000	+71,000	-14,000	TOTAL.
29	1,31,11,71,000	-2,11,07,900	+10,11,54,000	TOTAL REVENUE.

BUDGET FOR 1923-24.

B.—Statement of the Expenditure charged to the Revenues

HEADS OF EXPENDITURE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Direct Demands on the Revenues—					
1.—Customs	64,49,533	91,196	46,903	65,87,632	1
2.—Taxes on income	22,26,823	15,947	8,202	22,50,972	2
3.—Salt	1,55,36,588	74,296	38,212	1,56,49,096	3
4.—Opium	1,79,25,207	52,605	27,055	1,80,04,867	4
5.—Land Revenue	14,48,007	12,887	6,628	14,67,522	5
6.—Excise	2,53,939	1,701	875	2,56,515	6
7.—Stamps—					
A.—Non-judicial	36,57,439	59,859	30,786	37,48,084	7
B.—Judicial	38,58,586	5,56,714	2,86,326	47,01,626	8
8.—Forests	45,885	...	...	45,885	9
9.—Registration . . . . .	...	...	...	...	10
TOTAL	5,14,02,007	8,65,205	4,44,987	5,27,12,199	11
Railway Revenue Account—					
10.—State Railways—					
Interest on Debt	9,22,00,832	4,24,61,280	2,16,85,936	15,63,48,048	12
Interest on Capital contributed by Companies	3,49,066	2,17,07,853	1,14,60,434	3,35,17,355	13
Annuities in purchase of Railways Sinking Funds . . . . .	...	3,35,72,931	1,72,10,797	5,07,83,728	14
11.—Subsidised Companies	7,19,922	28,74,409	14,61,021	43,35,430	15
12.—Miscellaneous Railway Expenditure	-52,46,439	16,81,907	8,42,621	-27,21,911	16
TOTAL	8,80,23,383	10,22,98,380	5,26,60,809	24,29,82,572	18
Irrigation, etc., Revenue Account—					
14.—Works for which Capital accounts are kept—					
Interest on Debt	12,18,481	...	...	12,18,481	19
15.—Other Revenue Expenditure	1,18,381	24,718	12,717	1,55,816	20
TOTAL	13,36,862	24,718	12,717	13,74,297	21
Carried over	14,07,62,252	10,31,88,303	5,31,18,513	29,70,69,068	

REVISED ESTIMATE, 1922-23.					
Item Number.	India.	* England.	Exchange.	TOTAL.	Increase (+) Decrease (-) as compared with Budget, 1922-23.
	Rs.	Rs.	Rs.	Rs.	Rs.
1	69,54,000	97,000	48,000	70,99,000	+ 2,84,000
2	45,17,000	47,000	24,000	45,88,000	- 80,000
3	1,59,77,000	65,000	32,000	1,60,74,000	- 12,55,000
4	1,87,91,000	51,000	26,000	1,88,68,000	+ 2,47,000
5	13,31,000	31,000	15,000	13,77,000	- 1,77,000
6	2,71,000	21,000	11,000	3,03,000	+ 19,000
7	-28,81,000	20,00,000	10,00,000	- 1,19,000	- 7,57,000
8	1,44,000	...	...	1,44,000	- 1,66,000
9	35,57,000	6,00,000	3,00,000	44,57,000	- 3,70,000
10	44,000	...	...	44,000	- 4,000
11	4,87,05,000	29,12,000	14,56,000	5,30,73,000	- 22,59,000
12	10,58,98,000	4,25,23,000	2,12,62,000	16,96,83,000	+ 27,09,000
13	4,05,000	2,18,66,000	1,09,33,000	3,32,04,000	- 4,44,000
14	...	3,35,75,000	1,67,87,000	5,03,62,000	...
15	...	30,74,000	15,37,000	46,11,000	+ 29,000
16	10,80,000	...	...	10,80,000	- 9,03,000
17	10,10,000	16,27,000	8,14,000	34,51,000	+ 11,47,000
18	10,83,93,000	10,26,65,000	5,13,33,000	26,23,91,000	+ 25,38,000
19	10,76,000	...	...	10,76,000	+ 1,25,000
20	1,14,000	...	...	1,14,000	- 19,000
21	11,90,000	...	...	11,90,000	+ 1,06,000
	15,82,88,000	10,55,77,000	5,27,89,000	31,66,54,000	+ 3,85,000

BUDGET ESTIMATE, 1923-24.				Item Number.
India.	England.	Exchange.	TOTAL.	
Rs.	Rs.	Rs.	Rs.	
75,84,000	90,000	45,000	77,19,000	1
62,87,000	61,000	31,000	63,79,000	2
1,54,50,000	56,000	28,000	1,55,34,000	3
1,88,42,000	59,000	30,000	1,89,31,000	4
11,62,000	21,000	10,000	11,93,000	5
2,53,000	14,000	7,000	2,74,000	6
-37,83,000	27,00,000	13,50,000	2,67,000	7
43,000	...	...	43,000	8
40,42,000	4,43,000	2,21,000	47,06,000	9
92,000	...	...	42,000	10
4,99,22,000	34,44,000	17,22,000	5,50,88,000	11
12,16,05,000	4,41,23,000	2,20,62,000	18,77,90,000	12
3,69,000	2,12,41,000	1,06,20,000	3,22,30,000	13
...	3,35,75,000	1,67,87,000	5,03,62,000	14
25,90,000	32,73,000	16,37,000	49,10,000	15
...	...	...	25,90,000	16
-11,26,000	15,84,000	7,92,000	12,50,000	17
12,34,38,000	10,37,96,000	5,18,98,000	27,91,32,000	18
10,88,000	...	...	10,88,000	19
1,16,000	...	...	1,16,000	20
12,04,000	...	...	12,04,000	21
17,45,64,000	10,72,40,000	5,36,20,000	33,54,24,000	

* Sterling converted into Rupees at £1=Rs. 10.

of the Central Government, in India and in England.

BUDGET ESTIMATE, 1923-24.					HEADS OF EXPENDITURE.
Item Number.	Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	DISTRIBUTION OF TOTAL BETWEEN		
			Voted	Non-voted.	
	Rs.	Rs.	Rs.	Rs.	
1	+ 9,04,000	+ 6,20,000	67,22,000	9,97,000	Direct Demands on the Revenues—
2	+ 17,11,000	+ 17,91,000	60,07,000	3,72,000	1.—Customs.
3	- 17,95,000	- 5,40,000	1,14,97,000	40,37,000	2.—Taxes on income.
4	+ 3,10,000	+ 63,000	1,87,76,000	1,55,000	3.—Salt.
5	- 3,61,000	- 1,84,000	10,86,000	1,07,000	4.—Opium.
6	- 10,000	- 29,000	1,52,000	1,22,000	5.—Land Revenue.
7	- 6,09,000	+ 1,48,000	2,59,000	21,000	6.—Excise.
8	- 2,67,000	- 1,01,000			7.—Stamps—
9	- 1,21,000	+ 2,49,000	40,72,000	6,34,000	A.—Non-judicial.
10	- 6,000	- 2,000	38,000	4,000	B.—Judicial.
					8.—Forests.
					9.—Registration.
11	- 2,44,000	+ 20,15,000	4,86,39,000	64,49,000	TOTAL
					Railway Revenue Account—
12	+ 2,08,16,000	+ 1,81,07,000	...	18,77,90,000	10.—State Railways—
13	- 14,18,000	- 9,74,000	...	3,22,30,000	Interest on Debt.
14	...	...	...	5,03,62,000	Interest on Capital
15	+ 3,28,000	+ 2,99,000	...	49,10,000	contributed by
16	+ 6,07,000	+ 15,10,000	25,90,000	...	Companies.
17	- 10,54,000	- 22,01,000	5,69,000	6,81,000	Annuities in purchase
					of Railways.
					Sinking Funds.
					11.—Subsidised Companies.
					12.—Miscellaneous Railway
					Expenditure.
18	+ 1,92,79,000	+ 1,67,41,000	31,59,000	27,59,73,000	TOTAL
					Irrigation, etc., Revenue
					Accounts—
19	+ 1,37,000	+ 12,000	...	10,88,000	14.—Works for which
20	- 17,000	+ 2,000	1,16,000	...	Capital accounts are
					kept—
					Interest on Debt.
21	+ 1,20,000	+ 14,000	1,16,000	10,88,000	15.—Other Revenue Expen-
					diture.
					TOTAL
	+ 1,91,55,000	1,57,70,000	5,19,14,000	28,35,10,000	Carried over

B.—Statement of the Expenditure charged to the Revenue.

HEADS OF EXPENDITURE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward	14,07,62,252	10,31,88,303	5,31,18,513	29,70,69,068	
Irrigation, etc., Capital Account (charged to Revenue)—					
16.—Construction of Irrigation, etc., Works—Financed from Ordinary Revenues	74,157	...	...	74,157	22
Posts and Telegraphs Revenue Account—					
17.—Posts and Telegraphs—Interest on Debt	56,81,015	...	...	56,81,015	23
Miscellaneous Expenditure	...	...	...	...	24
TOTAL	56,81,015	...	...	56,81,015	25
Posts and Telegraphs Capital Account (charged to Revenue)—					
18.—Capital outlay on Posts and Telegraphs—Indo-European Telegraph Department	-42,92,577	1,00,72,358	51,39,701	1,09,19,482	26
Debt Services—					
19.—Interest on Ordinary Debt	19,05,17,484	7,23,92,711	3,70,80,095	29,99,90,290	27
Deduct—Amount chargeable to—					
Railways	9,22,00,332	4,24,61,280	2,16,85,936	15,63,48,048	28
Irrigation	12,18,491	...	...	12,18,491	29
Posts and Telegraphs	56,81,015	...	...	56,81,015	30
Provincial Governments	2,58,41,800	...	...	2,58,41,800	31
Remainder chargeable to Ordinary Debt	6,55,75,356	2,99,31,431	1,53,94,159	11,09,00,946	32
20.—Interest on other Obligations	2,60,97,497	...	...	2,60,97,497	33
21.—Sinking Funds	1,54,00,000	50,00,000	25,71,571	2,29,71,571	34
TOTAL	10,70,72,853	3,49,31,431	1,79,65,730	15,99,70,014	35
Carried over	24,92,97,700	14,81,92,092	7,62,23,944	47,37,13,736	36

* Sterling converted into Rupees at £1 = Rs. 19.

REVISED ESTIMATE, 1922-23.					
Item Number.	India.	* England.	Exchange.	TOTAL.	Increase (+) Decrease (—) as compared with Budget, 1922-23.
	Rs.	Rs.	Rs.	Rs.	Rs.
	15,82,88,000	10,55,77,000	5,27,89,000	31,66,54,000	+ 3,85,000
22	35,000	...	...	35,000	...
23	62,05,000	...	...	62,05,000	- 3,95,000
24	-54,13,000	41,00,000	20,50,000	(a)7,37,000	- 24,24,000
25	7,92,000	41,00,000	20,50,000	69,42,000	- 28,19,000
26	-6,02,000	1,35,000	67,000	-3,00,000	- 2,71,000
27	17,54,00,000	8,66,11,000	4,33,06,000	30,53,17,000	+ 2,28,86,000
28	10,58,98,000	4,25,23,000	2,12,62,000	16,96,83,000	- 2,40,22,000
29	10,76,000	...	...	10,76,000	- 1,25,000
30	62,05,000	...	...	62,05,000	+ 3,95,000
31	3,10,54,000	...	...	3,10,54,000	- 10,81,000
32	3,11,67,000	4,40,68,000	2,20,44,000	9,72,99,000	- 19,47,000
33	3,15,61,000	60,000	30,000	3,15,91,000	- 7,72,000
34	1,54,00,000	50,00,000	25,00,000	2,29,00,000	+ 25,00,000
35	7,80,68,000	4,91,48,000	2,45,74,000	15,17,90,000	- 2,19,000
36	23,68,81,000	15,89,60,000	7,94,80,000	47,51,21,000	- 29,24,000

(a) The corresponding actuals for 1921-22, are included under
"18—Capital Outlay on Posts and Telegraphs."

BUDGET ESTIMATE, 1923-24.				Item Number.
India.	England.	Exchange.	TOTAL.	
Rs.	Rs.	Rs.	Rs.	
17,45,64,000	10,72,40,000	5,36,20,000	33,54,24,000	
2,15,000	1,000	...	2,16,000	22
68,28,000	...	...	68,28,000	23
-46,05,000	25,00,000	12,50,000	-8,55,000	24
22,23,000	25,00,000	12,50,000	59,73,000	25
-6,56,000	2,25,000	1,12,000	-3,19,000	26
20,29,30,000	10,04,95,000	5,02,48,000	35,36,73,000	27
12,16,05,000	4,41,23,000	2,20,62,000	18,77,90,000	28
10,88,000	...	...	10,88,000	29
68,28,000	...	...	68,28,000	30
4,00,15,000	...	...	4,00,15,000	31
3,33,94,000	5,63,72,000	2,81,66,000	11,79,52,000	32
3,21,07,000	36,000	18,000	3,21,61,000	33
1,54,00,000	44,29,000	22,15,000	2,20,44,000	34
8,09,01,000	6,08,37,000	3,04,19,000	17,21,57,000	35
25,72,47,000	17,08,03,000	8,54,01,000	51,34,51,000	36

* Sterling converted into Rupees at £1 = Rs. 10.

of the Central Government, in India and in England—*contd.*

Item Number.	BUDGET ESTIMATE, 1923-24.				HEADS OF EXPENDITURE.
	Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	DISTRIBUTION OF TOTAL BETWEEN		
			Voted.	Non-voted.	
	Rs.	Rs.	Rs.	Rs.	
	+1,91,55,000	+1,87,70,000	5,19,14,000	28,35,10,000	Brought forward.
22	+1,81,000	+1,81,000	2,16,000	...	Irrigation, etc., Capital Account (charged to Revenue)— 16.—Construction of Irrigation, etc., Works—Financed from Ordinary Revenues.
23	+2,28,000	+6,23,000	...	68,28,000	Posts and Telegraphs Revenue Account— 17.—Posts and Telegraphs—Interest on Debt.
24	-40,16,000	-15,92,000	-8,55,000	...	Miscellaneous Expenditure.
25	-37,88,000	-9,69,000	-8,55,000	68,28,000	TOTAL
26	-2,90,000	-19,000	-3,19,000	...	Posts and Telegraphs Capital Account (charged to Revenue)— 18.—Capital outlay on Posts and Telegraphs—Indo-European Telegraph Department.
27	+7,12,42,000	+4,83,56,000	...	...	Debt Services— 19.—Interest on Ordinary Debt.
28	-4,21,29,000	-1,81,07,000	...	...	Deduct—Amount chargeable to—
29	-1,37,000	-12,000	...	...	Railways.
30	-2,28,000	-6,23,000	...	...	Irrigation.
31	-1,00,42,000	-89,61,000	...	...	Posts and Telegraphs.
					Provincial Governments.
32	+1,87,06,000	+2,06,53,000	22,000	11,79,30,000	Remainder chargeable to Ordinary Debt.
33	-2,02,000	+5,70,000	3,21,07,000	54,000	20.—Interest on other Obligations.
34	+16,44,000	-8,56,000	...	2,20,44,000	21.—Sinking Funds.
35	+2,01,48,000	+2,03,67,000	3,21,29,000	14,00,28,000	TOTAL
36	+3,54,06,000	+3,83,30,000	8,30,85,000	43,03,66,000	Carried over

B.—Statement of the Expenditure charged to the Revenues

HEADS OF EXPENDITURE	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward	24,92,97,700	14,81,92,092	7,62,23,944	47,37,13,736	
Civil Administration—					
22.—General Administration—					
A.—Heads of Provinces (including Governor General) and Executive Councils					1
B.—Legislative Bodies					2
C.—Secretariat and headquarters establishment	1,28,48,917	...	..	1,28,48,917	3
D.—Commissioners					4
E.—District Administrations					5
F.—Home Administration, etc.		42,33,257	21,77,224	64,10,481	6
23.—Audit	66,33,288	2,72,844	1,40,327	70,46,459	7
24.—Administration of Justice	9,81,071	84,743	17,869	10,33,683	8
25.—Jails and Convict Settlements	44,97,869	11,959	6,151	45,15,979	9
26.—Police	86,14,446	93,138	47,902	87,55,486	10
27.—Ports and Pilotage	21,64,743	1,55,537	79,995	24,00,275	11
28.—Ecclesiastical	26,50,022	2,64,440	1,36,005	30,50,467	12
29.—Political	2,13,20,046	8,20,122	4,21,801	2,25,61,969	13
30.—Scientific Departments	1,05,93,741	3,91,250	2,01,226	1,11,86,217	14
31.—Education	30,33,986	72,312	37,191	31,43,489	15
32.—Medical	27,48,814	2,08,411	1,07,189	30,64,414	16
33.—Public Health	15,82,030	38,588	19,846	16,40,464	17
34.—Agriculture	19,37,228	90,065	46,322	20,73,615	18
35.—Industries	24,137	68,545	35,254	1,27,936	19
36.—Aviation	87,572	299	154	88,025	20
37.—Miscellaneous Departments	39,73,043	1,71,119	88,009	41,32,171	21
TOTAL	8,35,90,953	69,26,629	35,62,465	9,40,80,047	22
Currency, Mint and Exchange—					
38.—Currency	27,84,437	41,54,075	21,36,500	90,75,012	23
39.—Mint	15,94,405	52,059	26,795	16,73,299	24
40.—Exchange	...	...	...	...	25
TOTAL	43,78,842	42,06,174	21,63,295	1,07,48,311	26
Carried over	33,72,67,495	15,93,24,895	8,19,49,704	57,85,42,094	

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.					
Item Number.	India.	* England.	Exchange.	TOTAL.	Increase (+) Decrease (-) as compared with Budget, 1922-23.
	Rs. 23,66,81,000	Rs. 15,69,60,000	Rs. 7,94,80,000	Rs. 47,51,21,000	Rs. -29,24,000
1	25,61,000	...	...	25,61,000	+ 5,12,000
2	8,23,000	...	...	8,23,000	-22,000
3	79,21,000	...	...	79,21,000	-1,10,000
4	...	...	...	...	...
5	17,46,000	...	...	17,46,000	+ 1,32,000
6	...	52,45,000	26,23,000	78,68,000	+31,77,000
7	72,41,000	3,27,000	1,63,000	77,31,000	-4,45,000
8	9,84,000	87,000	44,000	11,15,000	+ 1,13,000
9	44,65,000	35,000	17,000	45,17,000	+ 94,000
10	86,52,000	1,75,000	88,000	89,15,000	+ 7,89,000
11	20,74,000	2,35,000	1,17,000	24,26,000	-82,000
12	26,84,000	2,90,000	1,45,000	31,19,000	-1,23,000
13	2,80,73,000	6,51,000	3,26,000	2,90,50,000	+ 1,51,000
14	85,51,000	6,55,000	3,28,000	95,34,000	-12,84,000
15	30,48,000	55,000	28,000	31,31,000	-1,19,000
16	24,79,000	4,20,000	2,10,000	31,09,000	+ 11,000
17	15,98,000	60,000	30,000	16,88,000	+ 88,000
18	19,72,000	81,000	40,000	20,93,000	-1,76,000
19	15,000	28,000	14,000	57,000	-87,000
20	40,000	2,000	1,000	43,000	-5,000
21	20,79,000	3,83,000	1,91,000	26,53,000	+ 85,000
22	8,70,11,000	87,29,000	43,65,000	10,01,05,000	+ 26,99,000
23	29,02,000	40,90,000	20,45,000	90,37,000	+ 26,07,000
24	17,85,000	71,000	35,000	18,91,000	-3,01,000
25	...	...	50,00,000	50,00,000	-9,45,50,000
26	46,87,000	41,61,000	70,80,000	1,59,28,000	-9,22,44,000
	32,83,79,000	17,13,50,000	9,09,25,000	59,11,54,000	-9,24,69,000

BUDGET ESTIMATE, 1923-24.				Item Number.
India.	England.	Exchange.	TOTAL.	
Rs. 25,72,47,000	Rs. 17,03,03,000	Rs. 8,54,01,000	Rs. 51,34,51,000	
24,35,000	...	...	24,35,000	1
9,18,000	...	...	9,18,000	2
79,12,000	...	...	79,12,000	3
14,000	...	...	14,000	4
16,69,000	...	...	16,69,000	5
...	30,09,000	15,05,000	45,14,000	6
75,62,000	2,52,000	1,26,000	79,40,000	7
10,81,000	82,000	41,000	12,04,000	8
40,49,000	27,000	13,000	40,89,000	9
87,65,000	1,22,000	61,000	89,48,000	10
22,05,000	2,41,000	1,21,000	25,67,000	11
29,03,000	2,83,000	1,41,000	33,27,000	12
3,24,28,000	4,72,000	2,86,000	3,31,36,000	13
90,99,000	7,74,000	3,87,000	1,02,60,000	14
33,75,000	74,000	37,000	34,86,000	15
25,58,000	3,36,000	1,68,000	30,62,000	16
21,17,000	52,000	26,000	21,95,000	17
20,40,000	84,000	42,000	21,06,000	18
45,000	21,000	10,000	76,000	19
44,000	...	...	44,000	20
19,56,000	18,11,000	9,06,000	46,73,000	21
9,31,75,000	76,40,000	38,20,000	10,46,35,000	22
30,39,000	43,00,000	21,50,000	94,89,000	23
17,37,000	79,000	40,000	13,56,000	24
...	...	...	...	25
47,76,000	43,79,000	21,90,000	1,13,45,000	26
35,51,98,000	18,23,22,000	9,14,11,000	62,94,31,000	

* Sterling converted into Rupees at £1 = Rs. 10.

of the Central Government, in India and in England—*contd.*

Item Number.	BUDGET ESTIMATE, 1923-24.				HEADS OF EXPENDITURE.		
	Increase (+) Decrease (—) as compared with Budget, 1922-23.	Increase (+) Decrease (—) as compared with Revised, 1922-23.	DISTRIBUTION OF TOTAL BETWEEN				
			Voted.	Non-voted.			
	Rs.	Rs.	Rs.	Rs.			
	+3,54,06,000	+3,83,30,000	8,30,85,000	43,03,66,000	Brought forward.		
					Civil Administration—		
					22.—General Administration—		
					A.—Heads of Provinces (including Governor General) and Executive Councils.		
1	+3,86,000	—1,26,000	1,10,16,000	64,46,000	B.—Legislative Bodies.		
2	+68,000	+90,000			C.—Secretariat and headquarters establishments.		
3	—1,19,000	—9,000			D.—Commissioners.		
4	+14,000	+14,000			E.—District Administration.		
5	+55,000	—77,000			F.—Home Administration, etc.		
6	—1,77,000	—33,54,000			23.—Audit.		
7	—2,36,000	+2,09,000			70,72,000	8,68,000	24.—Administration of Justice.
8	+2,02,000	+89,000			7,75,000	4,29,000	25.—Jails and Convict Settlements.
9	—3,34,000	—4,28,000			38,73,000	2,16,000	26.—Police.
10	+8,22,000	+33,000			79,56,000	9,92,000	27.—Ports and Pilotage.
11	+59,000	+1,41,000			11,29,000	14,38,000	28.—Ecclesiastical.
12	+85,000	+2,08,000			...	33,27,000	29.—Political.
13	+42,37,000	+40,86,000			...	3,31,36,000	30.—Scientific Department.
14	—5,58,000	+7,26,000			81,61,000	20,99,000	31.—Education.
15	+2,36,000	+3,55,000			28,04,000	6,82,000	32.—Medical.
16	—36,000	—47,000			20,24,000	10,38,000	33.—Public Health.
17	+5,95,000	+5,07,000			10,94,000	11,01,000	34.—Agriculture.
18	—1,03,000	+73,000			16,79,000	4,87,000	35.—Industries.
19	—68,000	+19,000			55,000	21,000	36.—Aviation.
20	—4,000	+1,000			29,000	15,000	37.—Miscellaneous Departments.
21	+21,05,000	+20,20,000	43,35,000	3,38,000			
22	+72,29,000	+45,30,000	5,20,02,000	5,26,33,000	TOTAL		
					Currency, Mint and Exchange—		
23	+30,59,000	+4,52,000	92,89,000	2,00,000	38.—Currency.		
24	—3,36,000	—35,000	16,64,000	1,92,000	39.—Mint.		
25	—9,95,50,000	—50,00,000	...	...	40.—Exchange.
26	—9,68,27,000	—45,83,000	1,09,53,000	3,92,000	TOTAL		
	—5,41,92,000	+3,82,77,000	14,60,40,000	48,33,91,000	Carried over.		

B.—Statement of the Expenditure charged to the Revenues

HEADS OF EXPENDITURE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
Brought forward	Rs. 33,72,67,495	Rs. 15,93,24,895	Rs. 8,19,49,704	Rs. 57,85,42,094	
Civil Works—					
41.—Civil Works	1,51,30,197	1,91,508	98,495	1,54,20,200	27
Miscellaneous—					
43.—Famine Relief and Insurance—					
A.—Famine Relief	2,91,738	...	...	2,91,738	28
44.—Territorial and Political Pensions	23,03,614	1,15,529	59,418	29,78,561	29
45.—Superannuation Allowances and Pensions	29,50,461	2,07,76,801	1,06,85,803	3,44,13,065	30
46.—Stationery and Printing	57,05,101	14,84,975	7,63,744	79,53,820	31
47.—Miscellaneous	69,07,930	22,09,759	11,36,510	1,02,54,199	32
TOTAL	1,86,58,844	2,45,87,064	1,26,45,475	5,58,91,383	33
Lump allowance for further retrenchment in Civil Expenditure (including Railways)					34
Military Services.					
48.—Army—					
Effective	49,65,16,677	8,25,25,297	5,96,05,751	70,85,71,984	35
Non-effective	3,65,55,901	3,33,68,358			36
	53,30,72,578	11,58,93,655	5,96,05,751	70,85,71,984	37
49.—Marine	1,10,20,093	40,65,559	20,90,974	1,71,76,626	38
50.—Military Works	5,12,03,112	12,19,442	6,27,176	5,30,49,730	39
TOTAL	59,52,95,783	12,11,78,656	6,23,23,901	77,87,98,340	40
Contributions and Assignments to the Central Government by Provincial Governments—					
52.—Miscellaneous adjustments between the Central and Provincial Governments					41
TOTAL EXPENDITURE CHARGED TO REVENUE	96,63,52,319	30,52,82,123	15,70,17,575	1,42,86,52,017	42

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.					
Item Number.	India.	England.	Exchange.	TOTAL.	Increase (+) Decrease (—) as compared with Budget, 1922-23.
	Rs.	Rs.	Rs.	Rs.	Rs.
	32,83,79,000	17,18,50,000	9,09,25,000	59,11,54,000	- 9,24,69,000
27	1,48,07,000	1,29,000	65,000	1,50,01,000	-11,48,000
28	57,000	...	...	57,000	+ 30,000
29	27,90,000	1,16,000	58,000	29,64,000	-1,20,000
30	38,75,000	2,19,71,000	1,09,86,000	3,68,32,000	+1,21,07,000
31	39,42,000	14,92,000	7,46,000	61,80,000	-4,56,000
32	46,82,000	15,45,000	7,72,000	69,99,000	+ 8,80,000
33	1,53,46,000	2,51,24,000	1,25,62,000	5,30,32,000	+1,24,41,000
34	...	...	...	...	...
35	44,12,88,000	8,22,92,000	4,11,46,000	56,47,26,000	+ 2,18,26,000
36	4,16,67,000	3,45,30,000	1,72,65,000	9,34,62,000	+1,93,29,000
37	48,29,55,000	11,68,22,000	5,84,11,000	65,81,88,000	+ 4,11,55,000
38	89,56,000	28,09,000	14,05,000	1,31,70,000	-2,26,000
39	4,90,04,000	17,45,000	8,72,000	5,16,21,000	+48,36,000
40	54,09,15,000	12,13,76,000	6,06,68,000	72,29,79,000	+ 4,57,65,000
41	3,86,000	...	...	3,86,000	-59,43,000
42	89,96,33,000	31,64,79,000	16,42,40,000	1,38,25,52,000	-4,13,54,000

BUDGET ESTIMATE, 1923-24.

India.	England.	Exchange.	TOTAL.	Item Number
Rs.	Rs.	Rs.	Rs.	
35,51,98,000	18,28,22,000	9,14,11,000	62,94,31,000	
1,86,19,000	96,000	48,000	1,87,63,000	27
5,000	...	...	5,000	28
28,12,000	1,16,000	58,000	29,86,000	29
41,55,000	2,04,05,000	1,02,02,000	3,47,62,000	30
44,02,000	19,03,000	9,52,000	72,57,000	31
50,06,000	13,98,000	6,99,000	71,03,000	32
1,63,80,000	2,38,22,000	1,19,11,000	5,21,13,000	33
-4,00,00,000	...	...	-4,00,00,000	34
41,29,55,000	6,18,13,000	3,09,07,000	50,56,75,000	35
3,70,12,000	3,56,30,000	1,78,15,000	9,04,57,000	36
44,99,67,000	9,74,43,000	4,87,22,000	59,61,32,000	37
59,01,000	24,90,000	12,45,000	96,36,000	38
4,15,98,000	5,05,000	2,52,000	4,23,55,000	39
49,74,66,000	10,04,38,000	5,02,19,000	64,81,23,000	40
3,62,000	...	...	3,62,000	41
84,80,25,000	30,71,78,000	15,35,89,000	1,30,87,92,000	42

* Sterling converted into Rupees at £1 = Rs. 10.

of the Central Government, in India and in England—contd.

BUDGET ESTIMATE, 1923-24.					
Item Number.	Increase (+) Decrease (—) as compared with Budget, 1922-23.	Increase (+) Decrease (—) as compared with Revised, 1922-23.	DISTRIBUTION OF TOTAL BETWEEN		HEADS OF EXPENDITURE.
			Voted.	Non-voted.	
	Rs.	Rs.	Rs.	Rs.	
	—5,41,92,000	+ 3,82,77,000	14,60,40,000	48,33,91,000	Brought forward.
27	+ 26,14,000	+ 37,62,000	1,27,07,000	60,56,000	Civil Works— 41.—Civil Works.
28	—22,000	—52,000	5,000	...	Miscellaneous— 43.—Famine Relief and Insurance— A.—Famine Relief.
29	—98,000	+ 22,000	...	29,86,000	44.—Territorial and Political Pensions.
30	+ 1,00,37,000	—20,70,000	50,37,000	2,97,25,000	45.—Superannuation, Allowances and Pensions.
31	+ 6,21,000	+ 10,77,000	72,06,000	51,000	46.—Stationery and Printing
32	+ 9,84,000	+ 1,04,000	42,22,000	28,81,000	47.—Miscellaneous.
33	+ 1,15,22,000	—9,19,000	1,64,70,000	3,56,43,000	TOTAL
34	—4,00,00,000	—4,00,00,000	—4,00,00,000	...	Lump allowance for further retrenchment in Civil Expenditure (including Railways).
35	—3,72,25,000	—5,90,51,000	...	50,56,75,000	Military Services— 48.—Army—
36	+ 1,63,24,000	—30,05,000	...	9,04,57,000	Effective. Non-effective.
37	—2,09,01,000	—6,20,56,000	...	59,61,32,000	
38	—37,60,000	—35,34,000	...	96,36,000	49.—Marine.
39	—44,30,000	—32,66,000	...	4,23,55,000	50.—Military Works.
40	—2,90,91,000	—7,48,56,000	...	64,81,23,000	TOTAL
41	—59,67,000	—24,000	3,62,000	...	Contributions and Assignments to the Central Government by Provincial Governments— 52. Miscellaneous adjustments between the Central and Provincial Governments.
42	—11,51,14,000	—7,37,60,000	13,55,79,000	1,17,32,13,000	TOTAL EXPENDITURE CHARGED TO REVENUE.

C.—Statement of Receipts and Disbursements of the

RECEIPTS.	ACCOUNTS, 1921-22.		
	India.	England.	TOTAL.
	Rs.	Rs.	Rs.
Revenue (from Statement A)	1,09,14,24,581	4,01,44,664	1,13,15,69,245
Exchange added to Revenue	2,05,81,072	.....	2,05,81,072
Total	1,11,20,05,653	4,01,44,664	1,15,21,50,317
Excess of Revenue over Expenditure charged to Revenue			—27,65,01,700
Railway Capital not charged to Revenue—			
Capital contributed by Railway Companies and Indian States towards outlay on State Railways	18,88,170	45,00,000	63,88,170
Public Debt Incurred—			
Permanent Debt—			
<i>Sterling Debt—</i>			
New Sterling Loan	.....	7,50,00,000	.....
7 per cent. Stock	.....	6,86,71,413	.....
5½ per cent. Stock	.....	.....	.....
4½ per cent. Stock	.....	.....	.....
<i>Rupee Debt—</i>			
New Rupee Loan	.....	.....	.....
6 per cent. Bonds, 1932	.....	.....	.....
6 per cent. Bonds, 1931	11,30,75,300	.....	.....
6 per cent. Bonds, 1930	—7,08,500	.....	.....
6 per cent. Bonds, 1926	37,89,74,400	.....	.....
6 per cent. Bonds, 1927	.....	.....	.....
5½ per cent. War Bonds, 1923	14,100	.....	.....
5½ per cent. War Bonds, 1920	—200	.....	.....
5½ per cent. War Bonds, 1921	—2,000	.....	.....
3½ per cent. Loans	.....	.....	.....
Total Net	49,13,53,100	14,36,71,413	63,50,24,513
Floating Debt—			42,26,70,108
Treasury Bills—			
Issued to Public	76,35,45,000	.....	.....
Issued to Paper Currency Reserve	62,95,00,000	.....	.....
Other Floating Loans	15,00,00,000	.....	.....
Total Net	1,54,30,45,000	.....	1,54,30,45,000
			6,92,60,000
Unfunded Debt—			
Post Office Cash Certificates	47,98,217	.....	.....
Deposits of Service Funds	16,16,231	17,898	.....
Savings Bank Deposits	27,20,30,946	3,80,177	.....
Total Net	27,84,45,394	3,98,075	27,88,43,469
			4,62,46,898
Deposits and Advances—			
Deposits of Local Funds—			
District Funds	11,44,58,945	.....	.....
Other Funds	8,29,37,619	.....	.....
Deposits of Branch Lines Companies	7,36,040	.....	.....
Sinking Funds for Central Loans	1,54,00,000	.....	.....
Other Sinking Fund Deposits	3,00,544	.....	.....
Gold Standard Reserve	.....	97,08,37,535	.....
Paper Currency Reserve	3,40,64,437	37,10,31,640	.....
Departmental and Judicial Deposits	79,79,05,846	.....	.....
Advances	13,23,76,566	2,46,23,447	.....
Suspense Accounts	6,32,84,086	26,73,678	.....
Exchange on Remittance Accounts	11,36,82,631	.....	.....
Miscellaneous	5,26,75,082	94,73,033	.....
Total Net	1,40,80,21,796	1,37,86,39,333	2,78,66,61,129
			18,71,20,018
Carried over to pages 44 and 45	4,83,47,59,113	1,56,73,53,485	

*Sterling converted into Rupees at £1 = Rs. 10.

BUDGET FOR 1923-24.

Central Government, in India and in England.

REVISED ESTIMATE, 1922-23.			BUDGET ESTIMATE, 1923-24.		
India.	England.	TOTAL.	India.	England.	TOTAL.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1,18,60,80,000	1,59,58,000	1,20,20,38,000	1,28,28,57,000	1,88,76,000	1,30,17,33,000
79,79,000	...	79,79,000	94,38,000	...	94,38,000
1,19,40,59,000	1,59,58,000	1,21,00,17,000	1,29,22,95,000	1,88,76,000	1,31,11,71,000
...
...
...
8,93,000	17,85,000	26,78,000	1,50,42,000	3,00,84,000	4,51,26,000
...
...
...
...
19,48,92,000	...	...	25,00,00,000	...	...
...
...
27,37,83,000	...	...	...	...	...
...
...
6,86,000	...	...	3,00,000	...	...
46,93,61,000	31,55,10,000	78,48,71,000	25,03,00,000	15,14,08,000	40,17,08,000
...	...	66,45,36,000	...	...	33,15,56,000
...
46,00,00,000	...	...	40,50,00,000	...	...
49,65,00,000	...	...	49,65,00,000	...	...
...
95,65,00,000	...	95,65,00,000	90,15,00,000	...	90,15,00,000
...	...	0	...	...	0
...
78,00,000	...	...	1,28,00,000	...	...
14,52,000	20,000	...	14,43,000	20,000	...
24,53,39,000	1,40,000	...	26,50,90,000	1,20,000	...
...
25,45,91,000	1,60,000	25,47,51,000	27,93,33,000	1,40,000	27,94,73,000
...	...	3,14,11,000	...	...	5,01,85,000
...
11,88,48,000	...	...	11,76,08,000	...	...
8,41,47,000	...	...	8,17,31,000	...	...
15,31,000	...	...	23,69,000	...	...
1,54,00,000	...	...	1,54,00,000	...	...
3,13,000	...	...	3,25,000	...	...
...	1,41,24,21,000	...	...	1,42,06,73,000	...
2,17,90,000	24,19,80,000	...	...	5,84,50,000	...
78,21,25,000	...	...	77,10,50,000	...	...
19,15,95,000	1,50,09,000	...	17,12,65,000	53,38,000	...
2,60,22,000	...	...	83,00,000	...	...
16,67,96,000	...	...	9,29,28,000	...	...
10,21,24,000	82,47,000	...	1,77,30,000	55,55,000	...
1,51,06,91,000	1,67,76,57,000	3,18,83,48,000	1,27,87,06,000	1,49,00,16,000	2,76,87,22,000
...	...	17,98,76,000	...	...	12,31,17,000
4,38,60,95,000	2,01,10,70,000	...	4,01,71,76,000	1,69,05,24,000	...

C.—Statement of Receipts and Disbursements of the

DISBURSEMENTS.	ACCOUNTS, 1921-22.		
	India.	England.	TOTAL.
	Rs.	Rs.	Rs.
Expenditure (from Statement B)	96,63,52,319	30,52,82,123	1,27,16,34,442
Exchange charged as Expenditure	15,70,17,575	...	15,70,17,575
TOTAL	1,12,33,69,894	30,52,82,123	1,42,86,52,017
Railway, Irrigation, Posts and Telegraphs and other Capital not charged to Revenue—			
CONSTRUCTION OF STATE RAILWAYS	9,39,92,306	12,56,46,629	22,96,38,935
PAYMENTS FOR DISCHARGE OF DEBENTURES	2,85,276	5,00,000	7,85,276
CONSTRUCTION OF IRRIGATION WORKS	1,18,054	126	1,18,180
CAPITAL OUTLAY ON INDIAN POSTAL AND TELEGRAPH DEPARTMENT	81,61,617	...	81,61,617
INITIAL EXPENDITURE ON NEW CAPITAL AT DELHI	1,19,29,639	15,97,779	1,35,27,418
Public Debt Discharged—			
Permanent Debt—			
<i>Rupee Debt—</i>			
5½ p. c. War Bonds, 1920	38,09,785	...	
Do. Do. 1921	15,35,92,150	...	
Do. Do. 1922	3,56,46,575	...	
Do. Do. 1923 . . . . .	...	...
5½ p. c. War Bonds, 1925	400	...	
5 p. c. War Loan, 1929-47	64,86,125	...	
5 p. c. Loan, 1945-55	1,15,13,200	...	
4 p. c. Loans	12,00,000	...	
3½ p. c. Loans	9,958	...	
8 p. c. Loans	96,200	...	
Government Stock notes	12	...	
TOTAL NET	21,23,54,405	...	21,23,54,405
Floating Debt—			
Treasury Bills—			
Issued to Public	66,05,85,000	...	
Do. Paper Currency Reserve	66,32,00,000	...	
Other Floating Loans	15,00,00,000	...	
TOTAL NET	1,47,37,85,000	...	1,47,37,85,000
Unfunded Debt—			
Post Office Cash Certificates	91,41,448	...	
Special Loans	12,206	...	
Deposits of Service Funds	15,06,242	6,727	
Savings Bank Deposits	22,19,18,329	11,624	
TOTAL NET	23,25,78,225	18,351	23,25,96,576
Deposits and Advances—			
Deposits of Local Funds—			
District Funds	11,85,26,408	...	
Other Funds	8,55,34,553	...	
Deposits of Branch Line Companies	7,17,179	...	
Sinking Funds for Central Loans	1,36,75,346	...	
Gold Standard Reserve	10	97,08,68,609	
Paper Currency Reserve	3,35,63,836	37,10,31,640	
Departmental and Judicial Deposits	79,05,13,616	...	
Advances	15,03,37,792	2,40,47,448	
Suspense Accounts	3,02,46,896	...	
Exchange on Remittance Accounts . . . . .	...	...
Miscellaneous	3,15,935	1,01,61,933	
TOTAL NET	1,22,34,31,481	1,37,61,09,630	2,59,95,41,111
Carried over to pages 46 and 47	4,38,00,05,897	1,81,91,54,638	

BUDGET FOR 1923-24.

Central Government, in India and in England.

REVISED ESTIMATE, 1922-23.			BUDGET ESTIMATE, 1923-24.		
India.	England.*	TOTAL.	India.	England.*	TOTAL.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
89,98,33,000	31,84,79,000	1,21,83,12,000	84,80,25,000	30,71,78,000	1,15,52,03,000
16,42,40,000	...	16,42,40,000	15,35,89,000	...	15,35,89,000
1,06,40,73,000	31,84,79,000	1,38,25,52,000	1,00,16,14,000	30,71,78,000	1,30,87,92,000
10,91,25,000	10,44,80,000	21,36,05,000	19,63,95,000	19,00,00,000	(a) 38,63,95,000
20,00,000	40,00,000	60,00,000	1,50,42,000	3,00,84,000	4,51,26,000
1,99,000	1,000	2,00,000	22,000	...	(b) 22,000
1,10,36,000	...	1,10,36,000	96,22,000	...	(b) 96,22,000
1,72,93,000	18,57,000	1,91,50,000	1,88,42,000	8,58,000	(c) 1,97,00,000
9,00,000	...	...	12,77,000	...	...
40,00,000	...	...	32,15,000	...	...
7,15,00,000	...	...	44,52,000	...	...
8,00,000	...	...	1,44,59,000	...	...
54,40,000	...	...	1,02,35,000	...	...
1,37,24,000	...	...	74,45,000	...	...
2,31,67,000	...	...	2,87,19,000	...	...
4,000	...	...	3,50,000	...	...
8,00,000	...	...	...	...	...
12,03,35,000	...	12,03,35,000	7,01,52,000	...	7,01,52,000
78,41,00,000	...	...	46,00,00,000	...	...
57,89,00,000	...	...	49,65,00,000	...	...
1,36,30,00,000	...	1,36,30,00,000	95,65,00,000	...	95,65,00,000
2,00,00,000	...	...	1,75,00,000	...	...
12,000	...	...	12,000	...	...
15,63,000	1,00,000	...	15,36,000	3,00,000	...
20,16,45,000	80,000	...	20,98,90,000	50,000	...
22,31,60,000	1,80,000	22,33,40,000	22,89,38,000	3,50,000	22,92,88,000
12,14,67,000	...	...	12,15,73,000	...	...
8,42,27,000	...	...	8,23,71,000	...	...
16,17,000	...	...	23,86,000	...	...
1,70,22,000	...	...	1,54,02,000	...	...
8,16,00,000	1,41,24,21,000	...	...	1,42,06,73,000	...
78,25,60,000	24,19,80,000	...	...	5,84,50,000	...
19,26,98,000	1,57,75,000	...	77,25,77,000	...	...
5,02,63,000	...	...	15,93,73,000	63,57,000	...
...	...	...	15,37,000	...	...
...	68,42,000	...	...	49,06,000	...
1,33,14,54,000	1,67,70,18,000	3,00,84,72,000	1,15,52,19,000	1,49,08,86,000	2,64,56,05,000
4,24,16,75,000	2,10,60,15,000	...	3,65,23,46,000	2,01,68,56,000	...

(a) Of this amount, Rs. 2,02,000 is non-voted and the balance of Rs. 38,61,93,000 is voted.
 (b) The whole of this amount is voted.
 (c) Of this amount, Rs. 3,76,000 is non-voted and the balance of Rs. 1,93,24,000 is voted.

BUDGET FOR 1923-24.

C.—Statement of Receipts and Disbursements of the

RECEIPTS.	ACCOUNTS, 1921-22.		
	India.	England.	TOTAL.
	Rs.	Rs.	Rs.
Brought forward from pages 40 and 41 .	4,83,47,59,113	1,56,73,53,485	
Loans and Advances by the Central Government	32,12,613	...	32,12,613
NET			0
Loans between Central and Provincial Governments	77,18,222	...	77,18,222
NET			0
Remittances—			
Inland Money Orders	84,87,76,638	...	
Other Local remittances	...	...
Other Departmental Accounts	5,004	...	
Net Receipts by Civil Treasuries from—			
Railways	5,08,74,190	...	
Net Receipts from Civil Treasuries by—			
Posts and Telegraphs	5,54,90,744	...	
Marine	2,34,59,882	...	
Army and Military Works	55,98,40,510	...	
Remittance Account between England and India—			
Transfers through Paper Currency Reserve	2,90,060	2,50,11,590	
Remittances from India for financing Home Treasury	...	...
Iraq drawings	290	5,46,29,217	
Recoverable War Expenditure	9,03,85,430	10,95,54,084	
Other transactions	25,20,53,178	14,69,98,039	
TOTAL	1,88,11,75,926	33,61,92,930	2,21,73,68,856
NET			3,24,36,065
Secretary of State's Bills drawn	...	...	...
Balances of Provincial Governments	...	...	...
NET			0
TOTAL RECEIPTS	6,72,68,65,874	1,90,35,46,415	
Opening Balance	13,83,56,901	(a) 7,20,98,319	
GRAND TOTAL	6,86,52,22,775	1,97,56,44,734	

* Sterling converted into Rupees at £1=Rs. 10.

(a) Of this amount, Rs. 48,828 represents the funds of the Gold Standard Reserve.

BUDGET FOR 1923-24.

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Central Government, in India and in England—*contd.*

*REVISED ESTIMATE, 1922-23.			BUDGET ESTIMATE, 1923-24.		
India.	* England.	TOTAL.	India.	* England.	TOTAL.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
4,38,60,95,000	2,01,10,70,000		4,01,71,76,000	1,69,05,24,000	
30,87,000	...	30,87,000	28,21,000	...	28,21,000
		18,99,000			6,67,000
1,13,05,000	...	1,13,05,000	80,37,000	...	80,37,000
		0			0
82,85,00,000	...		84,00,00,000	...	
45,28,55,000	...		4,78,27,000	...	
...	
7,44,60,000	...		2,95,74,000	...	
1,30,86,000	...		98,28,000	...	
1,14,13,000	...		78,28,000	...	
50,76,25,000	...		46,36,67,000	...	
...	
...	...		...	27,00,00,000	
...	3,03,00,000		...	2,75,00,000	
...	2,03,75,000		...	1,20,00,000	
4,54,97,000	6,88,61,000		3,12,21,000	2,49,16,000	
1,53,34,36,000	11,95,36,000	1,65,29,72,000	1,42,99,45,000	33,44,16,000	1,76,43,61,000
		0			0
...	3,27,00,000	3,27,00,000	...	...	...
3,22,18,000	...	3,22,18,000	1,08,74,000	...	1,08,74,000
		1,02,29,000			0
5,96,61,41,000	2,16,33,06,000		5,46,88,53,000	2,02,49,40,000	
25,66,13,170	(b) 8,99,53,817		21,33,56,170	(b) 8,04,01,817	
6,22,27,54,170	2,25,32,59,817		5,68,22,09,170	2,10,53,41,817	

(b) Of this amount, Rs. 17,753 represents the funds of the Gold Standard Reserve.

C.—Statement of Receipts and Disbursements of the

DISBURSEMENTS.	ACCOUNTS, 1921-22.		
	India.	England.	TOTAL.
	Rs.	Rs.	Rs.
Brought forward from pages 42 and 43 .	4,38,00,05,897	1,81,91,54,638	
Loans and Advances by the Central Government			
NET	33,59,848	...	33,59,848
Loans between Central and Provincial Governments			
NET	7,15,46,657	...	7,15,46,657
			6,38,28,435
Remittances—			
Inland Money Orders	85,28,83,993	...	
Other Local Remittances	64,20,043	...	
Other Departmental Accounts	3,72,583	...	
Net Payments into Civil Treasuries by—			
Railways	7,02,29,094	...	
Net Issues from Civil Treasuries to—			
Posts and Telegraphs	5,51,12,141	...	
Marine	2,37,36,845	...	
Army and Military Works	55,44,61,986	...	
Remittance Account between England and India—			
Transfers through Paper Currency Reserve	2,53,01,650	...	
Remittances from India for financing Home Treasury	...	...
Iraq drawings	5,51,78,670	...	
Recoverable War Expenditure	19,54,32,100	...	
Other transactions	30,39,93,120	4,18,10,566	
TOTAL	2,14,31,22,225	4,18,10,566	2,18,49,32,791
NET			0
Secretary of State's Bills paid	...	...	...
Balances of Provincial Governments	1,05,74,978	2,47,25,713	3,53,00,691
NET			3,53,00,691
TOTAL DISBURSEMENTS	6,60,86,09,605	1,88,56,90,917	
Closing Balance	25,66,13,170	(a) 8,99,53,817	
GRAND TOTAL	6,86,52,22,775	1,97,56,44,734	

* Sterling converted into Rupees at £1 = Rs. 10.

DELHI,
FINANCE DEPARTMENT,
March 1, 1923.

M. F. GAUNTLETT,
Auditor General.

Central Government, in India and in England—*contd.*

REVISED ESTIMATE, 1922-23.			BUDGET ESTIMATE, 1923-24.		
India.	* England.	TOTAL.	India.	* England.	TOTAL.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
4,24,16,75,000	2,10,60,15,000		3,65,23,46,000	2,01,88,56,000	
11,88,000	...	11,88,000 0	21,54,000	...	21,54,000 0
12,56,16,000	...	12,56,16,000	14,27,14,000	...	14,27,14,000
		11,43,11,000			13,46,77,000
82,80,00,000	...		84,00,00,000	...	
5,16,05,000	...		4,69,33,000	...	
1,17,000	...		9,000	...	
6,89,60,000	...		2,95,74,000	...	
1,30,86,000	...		98,28,000	...	
1,14,13,000	...		78,28,000	...	
50,76,25,000	...		46,36,67,000	...	
...	
3,03,00,000	...		27,00,00,000	...	
1,90,00,000	...		2,75,00,000	...	
8,31,13,000	4,48,54,000		1,20,00,000	...	
			3,98,09,000	2,02,28,000	
1,61,32,19,000	4,48,54,000	1,65,80,73,000	1,74,71,48,000	2,02,28,000	1,76,73,76,000
		51,01,000			30,15,000
2,77,00,000	...	2,77,00,000	50,00,000	...	50,00,000
...	2,19,89,000	2,19,89,000 0	...	2,37,04,000	2,37,04,000
					1,28,30,000
6,00,93,98,000	2,17,26,58,000		5,54,93,62,000	2,06,27,58,000	
21,33,56,170	(a) 8,04,01,817		13,28,47,170	(a) 4,25,53,817	
6,22,27,54,170	2,25,32,59,817		5,68,22,09,170	2,10,53,41,817	

(a) Of this amount, Rs. 17,753 represents the funds of the Gold Standard Reserve.

A. C. McWATTERS,
Controller of the Currency.

E. M. COOK,
Secretary to the Government of India.

D.—Abstract Statement of the Receipts and Disbursements of the

REVENUE AND EXPENDITURE.		Accounts, 1921-22.				
		Revenue.	Expenditure.	Net Receipts.	Net Charges.	
		Rs.	Rs.	Rs.	Rs.	
Principal Heads of Revenue	Customs	34,40,98,381	65,87,632	33,75,10,749		
	Taxes on Income	18,74,13,424	22,50,972	18,51,62,452		
	Salt	6,34,37,848	1,56,49,096	4,77,88,752		
	Opium	3,07,24,798	1,80,04,867	1,27,19,931		
	Other heads	2,20,16,921	1,02,19,632	1,17,97,289		
TOTAL		64,76,91,372	5,27,12,199	59,49,79,173		
Commercial Services	Railways	15,20,82,829	24,29,82,572	...	9,08,99,743	
	Irrigation	5,94,141	14,48,454	...	8,54,313	
	Posts and Telegraphs	56,52,778	1,66,00,497	...	1,09,47,719	
Debt Services	Interest	1,11,00,700	15,99,70,014	...	14,88,69,314	
Civil Administration	Civil Administration	77,29,211	9,40,80,047	...	8,63,50,836	
Currency, Mint and Exchange	Currency	4,22,53,002	90,75,012	3,31,77,990	...	
	Mint	14,69,091	16,73,299	...	1,84,208	
	Exchange	...	...	...	...
Civil Works	Civil Works, etc.	11,33,782	1,54,20,200	...	1,42,86,418	
Miscellaneous Civil Services	Famine Relief	...	2,91,738	...	2,91,738	
	Superannuation	27,73,883	3,44,13,065	...	3,16,39,182	
	Miscellaneous	6,92,05,859	1,02,54,199	5,79,51,660	...	
	Other Heads	8,77,133	1,09,32,381	...	1,00,55,248	
Lump allowance for further retrenchment in Civil expenditure (including Railways)		...	...	...	...
Military Services	Army	Effective	7,24,22,501	70,85,71,984	...	63,61,49,483
		Non-effective				
	Marine	61,25,655	1,71,76,626	...	1,10,50,971	
	Military works	21,45,676	5,30,49,730	...	5,09,04,054	
Contributions and Assignments to Central Government by Provincial Governments		12,93,72,704	...	12,98,72,704	...	
TOTAL		1,15,21,50,317	1,42,86,52,017	81,59,61,527	1,09,24,83,227	
Surplus					...	
Deficit					27,65,01,700	

BUDGET FOR 1923-24.

Central Government, in India and in England.

REVISED ESTIMATE, 1922-23.		BUDGET ESTIMATE, 1923-24.	
Net Receipts.	Net Charges.	Net Receipts.	Net Charges.
Rs.	Rs.	Rs.	Rs.
41,59,04,000.		44,32,22,000	
18,23,43,000		18,40,85,000	
5,57,10,000		10,19,66,000	
2,10,00,000		2,03,81,000	
1,72,93,000		1,79,72,000	
69,22,50,000	...	76,76,26,000	...
...	92,60,000	35,26,000	...
...	1,99,000	...	3,57,000
24,16,000	..	1,46,90,000	...
...	14,13,79,000	...	14,70,61,000
...	9,44,85,000	...	9,84,27,000
2,45,76,000	...	1,69,46,000	...
...	1,94,000	...	13,65,000
...	50,00,000	...	...
...	1,38,76,000	...	1,76,94,000
...	57,000	...	5,000
...	3,43,18,000	...	3,22,40,000
...	42,85,000	...	59,68,000
...	76,10,000	...	90,66,000
...	...	...	—4,00,00,000
...	52,52,68,000	...	48,41,01,000
...	9,02,44,000	...	8,76,66,000
...	95,85,000	...	75,07,000
...	4,77,81,000	...	4,07,26,000
9,17,64,000	...	9,17,74,000	...
81,10,06,000	98,35,41,000	89,45,62,000	89,21,83,000
...	...	23,79,000	...
17,25,35,000			

D.—Abstract Statement of the Receipts and Disbursements of the Central Government, in India and in England—*contd.*

	ACCOUNTS, 1921-22.		REVISED ESTIMATE, 1923-23.		BUDGET ESTIMATE, 1923-24.	
	Net Receipts.	Net Charges.	Net Receipts.	Net Charges.	Net Receipts.	Net Charges.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Surplus . . . . .	...	...	...	...	23,79,000	...
Deficit . . . . .	...	27,65,01,700	...	17,25,35,000	...	...
Railway, Irrigation, Posts and Telegraphs and other Capital not charged to Revenue:—						
Payments for discharge of Debentures . . . . .	...	7,85,278	...	60,00,000	...	4,51,26,000
Capital contributed by Railway Companies and Indian States towards construction of State Railways	63,88,170	...	26,78,000	...	4,51,26,000	...
Construction of Irrigation Works . . . . .	...	1,18,180	...	2,00,000	...	22,000
Construction of State Railways . . . . .	...	22,96,38,035	...	21,86,05,000	...	38,83,95,000
Capital outlay on Indian Postal and Telegraph Department . . . . .	...	81,61,617	...	1,10,36,000	...	98,22,000
Initial expenditure on new Capital at Delhi . . . . .	...	1,35,27,418	...	1,91,50,000	...	1,97,00,000
Capital Account.						
Permanent Debt . . . (net)	42,26,70,108	...	66,45,36,000	...	33,15,56,000	...
Floating Debt . . . (net)	6,92,60,000	...	...	40,65,00,000	...	5,50,00,000
Unfunded Debt . . . (net)	4,63,46,893	...	3,14,11,000	...	5,01,85,000	...
Loans and Advances by Central Government . . . (net)	...	1,47,235	18,99,000	...	6,67,000	...
Loans between Central and Provincial Governments . . . (net)	...	6,38,28,435	...	11,43,11,000	...	13,46,77,000
Deposits and Advances . . . (net)	18,71,20,018	...	17,98,76,000	...	12,31,17,000	...
Remittances . . . (net)	3,24,36,065	...	...	51,01,000	...	30,15,000
Secretary of State's Bills drawn . . . . .	...	...	3,27,60,000	...	...	...
Secretary of State's Bills paid . . . . .	...	...	...	2,77,00,000	...	60,00,000
Balances of Provincial Governments (net)	...	3,53,00,691	1,02,29,000	...	...	1,28,30,000
Cash Balance.						
Opening Balance	21,04,55,220	...	34,65,66,987	...	29,37,57,987	...
Closing Balance . . . . .	...	34,65,66,987	...	29,37,57,987	...	17,54,00,987
TOTAL	97,45,76,474	97,45,76,474	1,26,98,95,987	1,26,98,95,987	84,67,97,987	84,67,87,987

M. F. GAUNTLETT,
Auditor General.

A. C. McWATTEES,
Controller of the Currency.

E. M. COOK,
Secretary to the Government of India.

DELHI,
FINANCE DEPARTMENT.
March 1, 1923.

THE INDIAN FINANCE BILL.

INTRODUCED IN THE LEGISLATIVE ASSEMBLY ON THE 1ST MARCH, 1923.

A Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax.

WHEREAS it is expedient to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax; It is hereby enacted as follows:—

Short title, extent and duration. **1.** (1) This Act may be called the Indian Finance Act, 1923.

(2) It extends to the whole of British India, including the Sonthal Parganas and British Baluchistan.

(3) Sections 2, 4 and 6 shall remain in force only up to the 31st day of March, 1924.

2. (1) The provisions of section 7 of the Indian Salt Act, 1882, shall, in so far as they enable the Governor General in Council to impose by rule made under that section a duty on salt manufactured in, or imported into, any part of British India other than Burma and Aden, be construed as if they imposed such duty at the rate of two rupees and eight annas per maund of eighty-two and two-sevenths pounds avoirdupois of salt manufactured in, or imported by land into, any such part, and such duty shall, for all the purposes of the said Act, be deemed to have been imposed by rule made under that section.

(2) Section 2 of the Indian Finance Act, 1922, is hereby repealed.

3. (1) In Schedule II to the Indian Tariff Act, 1894, the amendments specified in the First Schedule to this Act shall be made.

(2) In Schedule III to the same Act, in item No. 3, for the entry in the fourth column the entry "5 per cent." shall be substituted.

4. With effect from the first day of April, 1923, the Schedule contained in the Second Schedule to this Act shall be inserted in the Indian Post Office Act, 1898, as the First Schedule to that Act.

5. In sub-section (7) of section 19 of the Indian Paper Currency Act, 1923, for the figures "1923" the figures "1924" shall be substituted.

6. (1) Income-tax for the year beginning on the first day of April, 1923, shall be charged at the rates specified in Part I of the Third Schedule.

(2) The of rates super-tax for the year beginning on the first day of April, 1923, shall, for the purposes of section 55 of the Indian Income-tax Act, 1922, be those specified in Part II of the Third Schedule.

XI of 1922.

(3) For the purposes of the Third Schedule, "total income" means total income as defined in clause (15) of section 2 of the Indian Income-tax Act, 1922.

XI of 1922.

It is hereby declared that it is expedient in the public interest that the provisions of clauses 2 and 3 of this Bill should have temporary effect under the provisions of the Provisional Collection of Taxes Act, 1918.

XVI of 1918.

SCHEDULE I.

Amendments to be made in Schedule II to the Indian Tariff Act, 1894.

[See section 3 (1).]

1. In Item No. 4 after the words "all sorts" the words "except ochres and other pigment ores." shall be added.

2. For Item No. 14 the following shall be substituted, namely :—

"CINCHONA BARK and the alkaloids extracted therefrom including QUININE."

3. In Item No. 29 for the words "spirit, which has been rendered effectually and permanently unfit for human consumption" the words "Denatured Spirit" shall be substituted.

4. In Item No. 30 to the entry in the fourth column the words "or 15 per cent. *ad valorem*, whichever is higher" shall be added.

5. In Item No. 31 the following shall be added to each of the entries in the fourth column, namely :—

"or 15 per cent. *ad valorem*, whichever is higher."

6. In Item No. 34 in the second column the words "and saccharine produce of all sorts" shall be omitted.

7. After Item No. 34 the following heading and items shall be inserted, namely :—

SACCHARINE.			
" 34A.	SACCHARINE (except in tablets)	Pound	20 0
" 34B.	SACCHARINE TABLETS	<i>Ad valorem</i>	25 per cent. or Rs. 20 per pound of saccharine contents, whichever is higher."

8. In item No. 43 for the entry in the fourth column, the following shall be substituted, namely :—" 24-0 or 15 per cent. *ad valorem*, whichever is higher."

9. For item No. 51 the following items shall be substituted, namely :—

" 51 | MACHINERY, namely, such of the following articles as are not specified in any of the following numbers, namely, Nos. 15, 16, 53, 54, 55, 87, 90-A, 96, 103, 111 and 127 :—

(1) prime-movers, boilers, locomotive engines and tenders for the same, portable engines (including power-driven road rollers, fire engines and tractors), and other machines in which the prime-mover is not separable from the operative parts ;

(2) machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour, or which before being brought into use require to be fixed with reference to other moving parts ;

(3) apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose ;

(4) control gear, self-acting or otherwise, and transmission-gear designed for use with any machinery above specified, including belting of all materials and driving chains but not driving ropes;

(5) bare hard-drawn electrolytic copper wires and cables and other electrical wires and cables, insulated or not; and poles, troughs, conduits and insulators designed as parts of a transmission system, and the fittings thereof.

Note.—The term "industrial system" used in sub-clause (3) means an installation designed to be employed directly in the performance of any process or series of processes necessary for the manufacture, production or extraction of any commodity.

51A COMPONENT PARTS OF MACHINERY, as defined in No. 51, namely, such parts only as are essential for the working of the machine or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose:

Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable."

10. Item No. 52 and the heading thereto shall be omitted.

11. Item No. 56 shall be omitted.

12. For Item No. 61 the following shall be substituted, namely:—

"61 IRON OR STEEL, anchors and cables.

" " " beams, joists, pillars, girders and other structural shapes, whether fabricated or not, screw piles, bridge work and other descriptions of iron or steel not ordinarily used for other than building purposes; including ridging, guttering, flashing and continuous roofing; also including expanded metal and other descriptions of iron or steel designed for use in the reinforcing of concrete; but not including builders' hardware, that is to say, grates, stoves, ventilators, door and window fittings and the like; (*See No. 90.*)

" " " bolts and nuts, including hook-bolts and nuts for roofing.

" " " hoops and strips.

" " " nails, rivets and washers, all sorts.

" " " pipes and tubes and fittings therefor, that is to say, bends, boots, elbows, tees, sockets, flanges, plugs, valves, cocks and the like.

" " " rails, chairs, sleepers, bearing and fish-plates, spikes (commonly known as dog-spikes), switches and crossings, other than those described in No. 63, also lever-boxes, clips and tie-bars.

" " " sheets and plates, all sorts, whether fabricated or not, including discs and circles.

" " " wire, including fencing-wire, piano-wire and wire-rope, but excluding wire netting (*See No. 97.*)"

13. In Item No. 63 the words "engines, tenders" shall be omitted, and for the second proviso, the following proviso shall be substituted, namely:—

"Provided also that nothing shall be deemed to be dutiable hereunder which is dutiable under No. 51 or No. 51A."

14. After Item No. 63 the following item shall be inserted, namely :—

“63A. COMPONENT PARTS OF RAILWAY MATERIALS, as defined in No. 63, namely, such parts only as are essential for the working of railways and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose :

Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the railway material to which they belong, if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.”

15. To Item No. 64 the following proviso shall be added namely :—

“Provided that articles of machinery as defined in No. 51 or No. 51A shall, when separately imported, not be deemed to be included hereunder.”

16. For Item No. 87 and the heading thereto the following shall be substituted, namely :—

CONVEYANCES.

“87 CONVEYANCES, including tramcars, motor-omnibuses, motor-lorries, motor-vans, passenger lifts, carriages, carts, jinrikshas, bath-chairs, perambulators, trucks, wheel barrows, bicycles, tricycles and all other sorts of conveyances not otherwise specified, and component parts and accessories thereof, except such parts and accessories of the motor vehicles above-mentioned as are also adapted for use as parts or accessories of motor cars, motor cycles or motor scooters (See No. 127).”

17. After Item No. 90 the following item shall be inserted, namely :—

“90A ELECTRICAL CONTROL GEAR AND TRANSMISSION GEAR, namely, switches, fuses and current-breaking devices of all sorts and descriptions, designed for use in circuits of less than ten amperes and at a pressure not exceeding 250 volts, and regulators for use with motors designed to consume less than 187 watts; bare or insulated copper wires and cables, any one core of which has a sectional area of less than one-eightieth part of a square inch, and wires and cables of other metals of not more than equivalent conductivity; and line insulators, including also cleats, connectors, leading-in tubes and the like, of types and sizes such as are ordinarily used in connection with the transmission of power for other than industrial purposes, and the fittings thereof.”

18. To Item No. 96 the following shall be added, namely :—

“and any machines (except such as are designed to be used exclusively in industrial processes) which require for their operation less than one quarter of one brake-horse-power.”

19. In Item No. 103 after the word “tiles” the words “firebricks not being component parts of any article included in No. 51 or No. 63” shall be inserted, and after the word “specified” the words “including bitumen and other insulating material” shall be added.

20. In Item No. 127 the words “bicycles and tricycles” and the words “or of bicycles or tricycles” shall be omitted.

21. To Item No. 130 the words “and parts thereof” shall be added.

22. In Item No. 139 the word “and” shall be inserted after the word “cycles” and the words “bicycles and tricycles” shall be omitted.

SCHEDULE II.

Schedule to be inserted in the Indian Post Office Act, 1898.

(See section 4.)

"THE FIRST SCHEDULE.**INLAND POSTAGE RATES.**

(See section 7.)

Letters.

For a weight not exceeding two and a half tolas	One anna .
For every two and a half tolas, or fraction thereof, exceeding two and a half tolas.	One anna.

Postcards.

Single	Half an anna.
Reply	One anna.

Book, Pattern and Sample Packets.

For every five tolas or fraction thereof	Half an anna.
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Registered Newspapers.

For a weight not exceeding eight tolas	Quarter of an anna.
For a weight exceeding eight tolas and not exceeding twenty tolas	Half an anna.
For every twenty tolas, or fraction thereof, exceeding twenty tolas	Half an anna.

Parcels.

For a weight not exceeding twenty tolas	Two annas.
For a weight exceeding twenty tolas and not exceeding forty tolas	Four annas.
For every forty tolas, or fraction thereof, exceeding forty tolas	Four annas."

SCHEDULE III.

(See section 6.)

PART I.*Rates of Income-tax.*

	Rate.
A. In the case of every individual, every unregistered firm and every undivided Hindu family—	
(1) When the total income is less than Ra. 2,000	Nil.
(2) When the total income is Ra. 2,000 or upwards, but is less than Ra. 5,000.	Five pies in the rupee.
(3) When the total income is Ra. 5,000 or upwards, but is less than Ra. 10,000.	Six pies in the rupee.

	Rate.
(4) When the total income is Rs. 10,000 or upwards, but is less than Rs. 20,000.	Nine pies in the rupee.
(5) When the total income is Rs. 20,000 or upwards, but is less than Rs. 30,000.	One anna in the rupee.
(6) When the total income is Rs. 30,000 or upwards, but is less than Rs. 40,000.	One anna and three pies in the rupee.
(7) When the total income is Rs. 40,000 or upwards	One anna and six pies in the rupee.
B. In the case of every company, and every registered firm, whatever its total income.	One anna and six pies in the rupee.

PART II.

Rates of Super-tax.

In respect of the excess over fifty thousand rupees of total income—

	Rate.
(1) in the case of every company	One anna in the rupee.
(2) (a) in the case of every Hindu undivided family—	
(i) in respect of the first twenty-five thousand rupees of the excess.	Nil.
(ii) for every rupee of the next twenty-five thousand rupees of such excess.	One anna in the rupee.
(b) in the case of every individual and every unregistered firm, for every rupee of the first fifty thousand rupees of such excess	One anna in the rupee.
(c) in the case of every individual, every unregistered firm and every Hindu undivided family—	
(i) for every rupee of the second fifty thousand rupees of such excess	One and a half annas in the rupee.
(ii) for every rupee of the next fifty thousand rupees of such excess	Two annas in the rupee.
(iii) for every rupee of the next fifty thousand rupees of such excess	Two and a half annas in the rupee.
(iv) for every rupee of the next fifty thousand rupees of such excess	Three annas in the rupee.
(v) for every rupee of the next fifty thousand rupees of such excess	Three and a half annas in the rupee.
(vi) for every rupee of the next fifty thousand rupees of such excess	Four annas in the rupee.
(vii) for every rupee of the next fifty thousand rupees of such excess	Four and a half annas in the rupee.
(viii) for every rupee of the next fifty thousand rupees of such excess	Five annas in the rupee.
(ix) for every rupee of the next fifty thousand rupees of such excess	Five and a half annas in the rupee.
(x) for every rupee of the remainder of the excess	Six annas in the rupee.

STATEMENT OF OBJECTS AND REASONS.

1. The object of this Bill is to provide the additional revenue referred to in my speech introducing the Budget for 1923-24 and to continue certain provisions of the Indian Finance Act, 1922 (XII of 1922) which would otherwise cease to have effect from the 1st April 1923.

2. Clause 2 of the Bill provides for the raising of the salt duty from Rs. 1-4 to Rs. 2-8 per maund.

3. Opportunity has been taken to make certain minor amendments in the Tariff Schedule necessitated by administrative reasons. These are embodied in Clause 3 (1). The substantive changes made are :—

- (1) The adoption of a new definition of "Machinery and its component parts" and consequential changes in the entries relating to railway and building materials, ships, etc.
- (2) The raising of the duty on saccharine.
- (3) The withdrawal of the concessional rate in respect of tea chests and of lead therefor.

Clause 3 (2) reduces the export duty on raw hides and skins from 15 to 5 per cent *ad valorem* and dispenses with the system of rebates.

4. Clauses 4 and 6 provide for the continuance of the rates of postage, income-tax and super-tax prescribed by the Indian Finance Act (XII of 1922), while clause 5 provides for the credit to revenue, for a further period of one year, *i.e.*, till the 31st March 1924, of interest on securities forming part of the Paper Currency Reserve.

5. The changes mentioned in paragraphs 2 and 3 are intended to come into effect from the 1st March 1923; the rest from April 1st. The Bill provides that the provisions other than those relating to the tariff shall remain in force till the 31st March 1924.

BASIL P. BLACKETT.

The 28th February 1923.

Speech of the Finance Secretary in the Council of State on the 1st March 1923.

The HONOURABLE MR. E. M. COOK (Finance Secretary): Sir, I rise to present a Statement of the estimated annual expenditure and revenue of the Governor General in Council for 1923-24. I have been charged by the Honourable the Finance Member to express his regret that, owing to the rules of the Legislature, he is unable to be here to present this Budget personally. He is however looking forward to facing the music in this Chamber at about 11 o'clock on Wednesday next. At the conclusion of my remarks this morning, there will be distributed to Honourable Members, together with a number of other papers relating to the Budget, a copy of the speech which the Finance Member is now, I have reason to hope, making in another place. Honourable Members will find that that speech contains, besides the usual account of the financial results of the current year and an estimate of the expenditure and revenue for next year, an appreciation by the Finance Member of the general financial position of India as it appears to him—a new-comer indeed to this country, but one, if I may say so, whose reputation as a financier has preceded him. I do not propose therefore to duplicate in my remarks this morning what Sir Basil Blackett has said, or rather is saying or will be saying, in the speech which will be in Honourable Members' hands shortly. I will confine myself, as I did a year ago, to giving the Council a brief summary of the more important facts regarding the current year. I will then proceed to announce our estimates of revenue and expenditure for next year, explaining at the same time what action we propose to take as a result of the inquiries of the Indian Retrenchment Committee. And finally I will indicate how far, after taking such credit as we can for the Inchcape Committee's recommendations, it will be possible to balance the revenue and expenditure of the Central Government.

Now, as regards the current year, it will be within the recollection of Honourable Members that the Budget for 1922-23, as it emerged from the Legislature, left us with a deficit of 9 crores 16 lakhs. Honourable Members will also recollect that Sir Malcolm Hailey warned the Legislature that the provision entered in the Budget for expenditure in Waziristan should be regarded as only tentative and he hinted that possibly the provision of 2 crores 13 lakhs on that account would prove insufficient. Well, Sir, in view of the reply which I gave in the September Session to a question which was asked me, I think by my Honourable friend Mr. Sethna, regarding the progress of revenue and expenditure this year so far as they could then be foreseen, the Council, I think, will not be surprised to hear that the estimated deficit of 9 crores 16 lakhs is going to be exceeded. As now revised, the estimates point to a deficit of about 17½ crores, that is a net worseness of 8½ crores. There will probably be a saving of 4 crores 14 lakhs in expenditure but revenue will be some 12 crores 48 lakhs less than the estimate.

When we framed our revenue estimates this time last year, we did not count on any hope of a marked or sudden revival in trade, although we certainly expected some improvement on the general trade conditions of the preceding year. On the whole, Sir, our anticipation has been justified. There was considerable stagnation during the earlier part of this summer but now I think, except perhaps in the cotton mill industry in Bombay, the

general feeling in the business community is at present one of mild optimism. Considering the impoverishment of most of our former customers our exports have undoubtedly shown a very promising recovery. I will give the figures. So far as merchandise alone is concerned the balance of trade in favour of India during the first 10 months of this financial year has been 62 crores, which contrasts with an adverse balance of 29½ crores in the corresponding 10 months of the preceding year. As against this there has been a substantial net import of bullion, but after including the bullion figures there still remains a net balance of 20 crores in favour of India instead of an adverse balance of 33 crores in the first ten months of last year.

I will now make a few remarks about the figures under the more important heads. Under customs we budgeted for a total net revenue of 45½ crores, of which 9 crores was expected to accrue from the enhancement of duties imposed last March. We now expect a customs revenue which will be some 3 crores short of the figure which we budgeted for. Honourable Members know, I think, that the dominant factor in our customs revenue for the last year or two has been the import of sugar. In the previous year we got 6½ crores from sugar, although the duty was only 15 per cent.; in the current year on the increased duty of 25 per cent. we hoped that we might realise about 6½ crores. Actually we now expect that the revenue from sugar will be less by a crore and a half than the budget figure. The excise duty on cotton manufactures will also bring us in substantially less than we expected, and we shall probably be about 60 lakhs down under that head. As regards the other tariff heads, it is probable that there will be some deficiency in the revenue from liquors, matches, machinery, and cutlery, but any losses under those heads should be counter-balanced by increased revenue from the import duties on cotton piece goods, which are likely to give us nearly a crore more than our estimated revenue of 560 lakhs, and iron, steel and other metals, while the new excise duty on kerosene is likely to bring us in 89 lakhs as against 40 lakhs budgeted for. As regards the so-called "luxury" articles, which are assessed to duty at 30 per cent. the Council may be interested to know that, in spite of a very substantial fall in prices, we expect to get 273 lakhs as against 284 lakhs budgeted for; that has been due to the fact that the import of most of these articles has increased. Up to the present nearly twice as many motor cars have been imported as in the corresponding period of the previous years. On the whole, therefore, I think, Sir, that our estimates from customs, all things considered and having regard to the great difficulties of estimating the yield from increased taxes have not turned out so badly. But it is as regards Railways that the returns have been most disappointing. The increase in passenger fares was expected to add some 6 crores to the receipts. The traffic, however, both passenger and goods, especially goods has fallen off, and as against the estimated gross traffic receipts of 99½ crores, we do not expect to get more than 92 crores. What small improvement there has been over the receipts of the previous year has been due to the increased passenger fares. On the other hand, we expect a saving of over 2 crores on programme revenue expenditure, but an excess of about a crore in ordinary working expenses, so that, altogether, our net railway revenue is likely to be down by 5½ crores; and I am sorry to say that, after taking into account interest charges, the final result for the general taxpayer will be that there will again be no profit from railways but a loss of about a crore. As regards Posts and Telegraphs revenue, the effect of the new postal rates during the first few months of the year was to reduce

correspondence. But since then there have been distinct signs of recovery, and it is clear that the public are now gradually getting used to the higher postal charges. For the present, however, I think we must anticipate a decrease of 106 lakhs in our anticipated receipts. There is a small saving in working expenses, and after debiting interest, the Department will probably prove to be running at a small profit of about 24 lakhs. As regards our income-tax collection, the Council will remember that we expected to make large collections of arrears, but after the beginning of the year it became evident, not only that the allowance that we should have to make for bad debts would be large, but also that our revenue was going to be seriously affected by the heavy refunds which have had to be made, chiefly in Calcutta, as a result of the adjustment system in force under the former Act. Fortunately, this complication will, under the new Act, not disturb our estimates again. I understand that in Calcutta in many cases Companies have actually received a cheque from Government instead of paying any tax at all; and the net receipts in Bengal are not expected to be more than 3½ crores. In other provinces the collections have been good, especially in Bombay, though I am afraid that the lower profits which the cotton mills are now making are going to affect our revenue from that city next year. Altogether we anticipate under Income-Tax a total deterioration of 3½ crores. As regards other heads, I think I need only say that we expect to get 89 lakhs more from Opium than we anticipated and probably a slight improvement of Rs. 7 lakhs or so under Salt.

As regards our expenditure, the only important variation that I need mention in our civil expenditure is the fact that there has been a substantial saving of about 186 lakhs in the budget provision for interest on debt. That is mainly due to the fact that a full half year's interest in respect of the greater part of our rupee and sterling borrowings this year will not fall due till after the end of the financial year.

I now come to the military expenditure. But before I give the figures, I must explain to the House a change of some importance that has been made in the method of exhibiting them. I do not think I need explain it at any great length, because the matter has already been discussed in this House a year ago, both in the general discussion on the Budget and also on a Resolution moved by my Honourable friend Mr. Kale. This change affects all the non-commercial heads, but it is specially marked in the case of military expenditure. I think most Honourable Members know that our practice in the last 2 years, in distributing the exchange adjustments, has been to show them against the individual heads of account in the case of commercial services, and that as regards other heads, we used to lump them together under the one head "Exchange". Now, of course, that method would answer well enough if the difference between the statutory rate of 2 shillings and the actual rate had been less; it gives the figures a very misleading appearance when the difference between the two rates has been as large as it has been for the past two years or so. We have now decided to distribute the exchange adjustments between the individual heads in all future accounts and estimates; and the figures of military expenditure that I shall give this morning have accordingly been arrived at after converting sterling expenditure into rupees at the rate of 1s. 4d. Instead, therefore, of speaking of the military budget for the current year as being 62 crores 18 lakhs, as we spoke of it this time last year, I shall speak of it as being 67½ crores, which is the correct figure if you take the sterling expenditure at 1s. 4d.

Now, the military budget provided 65 crores and 10 lakhs for the established charges of the Army, 213 lakhs for Waziristan expenditure and 52 lakhs for demobilization charges, making, as I have said, a total of 67½ crores. Waziristan expenditure in the current year is now estimated at 385 lakhs. The demobilization charges will probably amount to 208 lakhs owing to unexpected progress that has been made with the discharge of surplus officers. On the other hand, the established charges will now amount to only 60½ crores owing to a continued shortage of British troops, the fall in prices and various other causes. A very careful control has been maintained over these charges, and savings in budget grants have not been allowed to be re-appropriated for new measures involving a permanent liability of any magnitude. By those means, in spite of the excess expenditure of 172 lakhs in Waziristan and of the increased demobilization charges, we have been able to effect a saving of 46 lakhs in the total budget grant for military expenditure.

I now come to the Budget for next year. The question, of course, that must be uppermost in the minds of all Honourable Members is, what we are going to do about retrenchment. Here, Sir, we come at once up against a matter that has made the preparation of this Budget so exceedingly difficult. Since they assembled in November last, Lord Inchcape and his colleagues on the Retrenchment Committee, and their Secretary, a distinguished predecessor of mine, have worked at their task with a devotion to the public interests which it would be impertinent for me to dwell on. I only invite the attention of the Council to the fact that each of these six gentlemen has attained a position of considerable eminence in the business world, and that the sacrifices which they have made in leaving their large and varied commercial interests in order to undertake a task of this magnitude must have been very considerable. I think, Sir, that we in this Council can well feel proud that two Members of the Committee are our colleagues here. When the Committee's report is published, the public will understand what an exacting task theirs must have been. Government feel confident that they will have the Legislature and the country behind them in seeing to it that the labours of the Committee shall not have been in vain, and that every effort is made to go to the utmost length in carrying the Committee's recommendations into practical effect, at as early a date as possible, and to the maximum extent practicable.

But, Sir, the more immediate problem is the extent to which we can translate the Committee's recommendations into the budget for 1923-24. Lord Inchcape's Committee, recognizing the difficulties in which we have been placed owing to the necessity for presenting the budget on March 1st, have very kindly provided us with a number of instalments of their report. We received the first portion a little more than a fortnight ago, the second portion last Saturday night and the third portion yesterday. These three parts cover the greater portion and all the more important heads of our expenditure. We understand that the last portion will be received during the course of the next day or so, and we hope then to publish the report as a whole, in complete form, as soon as the necessary number of copies can be printed. I think Honourable Members will now understand what I meant when I spoke about our difficulties in framing the budget. To present a budget with no Inchcape in it at all would be unthinkable—it would be like trying to play Hamlet without the Prince. On the other hand, when we attempt to calculate, at such very short notice and without there having been time to make any careful or detailed examination of the report, the extent to which we can take credit in this present

budget for the Committee's proposed savings, once we attempt to calculate that, Sir, we are at once met by certain very grave practical difficulties. In the first place, even if we blindly accepted the Committee's recommendations lock, stock and barrel, it is obvious to the Council that some time must elapse, and in certain cases indeed a considerable time, before the full effect of the retrenchments can be reached. Indeed, when one comes to read this report it is clear that the amount of what I may call the 'lag' must be considerable. A second and very important fact, which I would ask Honourable Members to bear in mind when they come to read the report in a few days time, is that the Committee were throughout working on the budget estimates for 1922-23. Now, Sir, the budget estimates for next year, which necessarily had to be prepared without any specific reference to the Inchcape Committee's recommendations, already show a substantial reduction as compared with the budget for the current year. This is due to various causes; one of them is the general atmosphere of economy which, I am glad to say, now prevails; another cause is the fact that a good many of the savings are automatic, due to the fall in prices and so forth. Now, when one makes an allowance for these two important considerations, namely, the lag and the fact that the reductions proposed by the Committee are reductions on the 1922-23 scale of expenditure, then the extent to which credit can be taken in the budget for the Committee's recommendations, even supposing it were possible, which obviously it is not, for Government to accept the whole of the recommendations without any examination, becomes very much smaller than might at first sight appear.

I had to clear the ground in this way in order to enable the Council to follow me when I now inform it of Government's exact intentions. There is, however, just one more word of explanation I must give. I said that our budget estimates for next year as originally framed were prepared without specific reference to the Committee's recommendations. There are two exceptions to that; one is the military budget, which I will refer to later, and the second is the post and telegraph budget, in respect of which we had had some earlier information and therefore we were able to take into account some, though not all, of the Committee's proposed reductions.

I now come to the actual budget estimates. I will first take the civil expenditure. I have already indicated, Sir, that Government are not yet in a position to announce definitely which of the particular recommendations of the Committee will be adopted: nor has it been possible for us to frame an accurate forecast of the allowance which is to be made for what I have called the lag. Nevertheless the Government of India are of opinion that the situation is one which necessitates their taking some budgeting risks, and they have decided therefore to take the responsibility of saying that in the civil estimates they believe that a reduction of four crores can be effected during the 12 months commencing April 1st next, over and above the reduction for which credit has already been taken in the post and telegraph estimates, either in the ways proposed by the Committee or by some modification of them. Now, in the civil portion of our budget, excluding interest, the Committee have recommended reductions which, although we have still a few pages of their report to receive, we expect will amount to about eight and a half crores. The total civil expenditure in the 1922-23 budget is 103 crores and 9 lakhs. Now, the corresponding figure in the budget estimates for next year, as originally prepared last month, is 101 crores and 3 lakhs, that is, 2 crores and 6

lakhs less. The House will see therefore that our cut of 4 crores, together with this amount of 2 crores and 6 lakhs, makes a total of 6 crores and 6 lakhs; that is to say, out of a total reduction of $8\frac{1}{2}$ crores proposed by the Incheape Committee we propose in this budget to make allowance, on account of the lag or on account of any retrenchments which may be found impossible, for less than 2 crores. I think, Sir, that this allowance, or this margin as I may call it, is, having regard to all the circumstances which I have mentioned, a small one. The Government of India will leave no stone unturned to make actual reductions which will effect the further saving of 4 crores which I have mentioned in civil expenditure. But-I must not conceal from the Council that it will tax all Government's ingenuity to give full effect to this 4 crores reduction within the year 1923-24.

As regards military expenditure risks of the same kind, and also of other kinds, are being taken. In spite of the fact that it will be necessary to provide 169 lakhs for expenditure in Waziristan next year, the Government of India are budgeting for a military expenditure which will be $5\frac{1}{2}$ crores less than the current scale. That is to say, they will be budgeting for 62 crores as against a current military expenditure of $67\frac{1}{2}$ crores. I am not in a position to-day to give precise details of the particular retrenchments in military expenditure which the Government hope to effect. I may say, however, that in the forefront of those reductions, and forming the pivot on which the other reductions depend, is a substantial reduction in the strength of British and also of Indian troops. These reductions are being discussed between the Government of India and His Majesty's Government. The exact form which they should take is necessarily a matter of some intricacy and complication, for it is obviously desirable to impair as little as possible the essential structure and organisation of the Army and so to retain, after the reductions have been made, the maximum degree of efficiency possible. The decision, as the House will understand, is also a very responsible one, and, the difficulties being what they are, there simply has not been time to arrive at a final decision. In any case, the full financial effect of these reductions, and of certain other proposals in regard to the military expenditure, could not for practical reasons be expected in the coming year. But if those reductions and others which have been agreed upon could have been fully and effectively in operation from the 1st of April next, then the net military expenditure for 1923-24 would be $57\frac{1}{2}$ crores, that is a reduction of 10 crores on the current scale of expenditure.

As regards our expenditure estimates as a whole, I do not think I need take the Council in detail through the various heads. I think it is enough for me to say that, as compared with the budget estimate of expenditure for 1922-23 of Rs. 215 crores and 27 lakhs, inclusive of the working expenses of commercial departments, our total expenditure for 1923-24, taking the sterling expenditure at 1s. 4d., is estimated to be 204 crores and 37 lakhs, that is, a reduction of 11 crores in spite of an increase of $1\frac{1}{2}$ crores on interest charges.

Similarly, as regards our estimates of revenue. I do not propose to trouble the House with many details. I will only say generally that we have assumed that trade conditions will continue very much as they are at present; we have not counted on any early boom or any sudden revival in trade. The utmost we have done is to allow for a small growth in revenue, such as may normally be expected from year to year. Under the various heads of our customs revenue, we have either repeated the figure which we anticipate for the current year, or we have provided for a

small increase where an expansion seems probable. Altogether we are assuming a net customs revenue of roughly 45 crores, or $2\frac{1}{2}$ crores more than in the current year. This estimate, I ought to mention, provides for a reduction to 5 per cent. all round, with no rebate, of the export duty on hides and skins. That reduction has been necessitated by the state of trade. In respect of income-tax we are not allowing for any increase over the current year's revenue of 19 crores. We shall not have the same heavy refunds to make, but, on the other hand, we expect that there will be a fall in revenue in Bombay. The Railway budget as originally framed, provided for a small profit of 35 lakhs. We are assuming, however, that as a result of the Retrenchment Committee's recommendations for a reduction in working expenses, there will be a profit of 3 crores. Similarly, in Posts and Telegraphs we hope by retrenching working expenses to realise a profit of 147 lakhs. The net result, after taking credits for retrenchment, military and civil, is that we are budgeting for an expenditure of 204 crores and 37 lakhs, against an expected revenue, on the basis of existing taxation, of 198 crores and 52 lakhs, leaving a deficit of 5 crores and 85 lakhs.

5 crores and 85 lakhs. What are we to do about that deficit? Are we going to leave it uncovered? I will answer that question in a moment. But meanwhile there is one thing we can do, which although it is not very much more than a change in book-keeping methods, nevertheless does relieve the revenue account. The Gold Standard Reserve consists approximately of £40 millions and is invested in British treasury bills and other short term securities. Government propose, to utilise the interest on these securities by crediting it to revenue instead of adding it to the Reserve itself, and this will relieve the revenue account to the extent of 159 lakhs. The Council, I think, will remember that last year the Legislature agreed to this being done in the case of the interest on the securities in the Paper Currency Reserve, and we feel that to a very large extent these two measures are analogous.

There will thus remain a deficit of $4\frac{1}{2}$ crores, and what are we to do about that? Some Honourable Members, who may fully share our anxiety to balance our budget, may suggest that we may safely leave that uncovered, in view of the fact that as time goes on the Incheape Committee's recommendations will be brought more and more into effect and that, with the disappearance of the "lag", the budget will in a year or two be bound to balance itself. Sir, the Government feel that, however attractive such a course may appear to some, it would, to say the least, be a dangerous one. When one examines the Retrenchment Committee's proposals, it will be seen that, taking the military budget alone, over 2 crores of the reductions represent merely a reduction in stocks, in other words, that particular saving is non-recurring, for as soon as the stocks are worked down to the new minimum, the normal annual purchases will have to be resumed. The same thing is true of the Railway budget and the Posts and Telegraphs budget, and also of the budgets of one or two other Departments. Further, Government realise, and this I suggest is a consideration of the utmost importance, that this budget provides, to their great regret, for no reduction in the provincial contributions. Government are very much impressed by the undesirability of any further indefinite continuance of the present very unsatisfactory position as regards these provincial contributions. They have stated more than once that, as soon as they are in a position to do so they intend gradually to reduce and finally extinguish the provincial contributions, the aggregate amount of which is about $9\frac{1}{2}$ crores.

Now, the essential preliminary to any such reduction must be the balancing of our own budget. If this present deficit of 4½ crores is to remain uncovered, then I must warn the Council that any substantial relief to the provinces will almost certainly have to be deferred for some years, if not postponed indefinitely. On the other hand, if we can cover the deficit this year, then any improvement in our financial position, due to the ringing into full effect in subsequent years of the retrenchments proposed, or to any possible future improvement in our revenues, can and will be devoted to giving to the provinces that relief of which most of them are so greatly in need.

There is only one way in which we can bring that relief, if not actually within sight, at any rate within the range of practical politics, and that is by additional taxation. The Government of India dislike proposing additional taxation just as much as the Legislature will the voting of it. They feel, however, that the situation calls for it, not only because India's credit is very vitally involved, after the 100 crores of deficits that we have had in the last five years, in making a final and successful effort to balance our Budget, but also because without it the relief which the Provincial Governments and Legislatures have been anxiously awaiting must again fade into the indefinite future. The Government have carefully reviewed the whole sphere of taxation and have been obliged to reject all possible measures except one, and that is the increase of the salt duty to Rs. 2-8-0 a maund. In a full year this increase will probably give us 6 crores of rupees, although in the first year of its imposition it is not likely to bring in more than 4½ crores. If we can get this additional revenue, the deficit will be covered and we shall have a balanced budget, with a small surplus of about a quarter of a crore.

I have so far said nothing about ways and means estimates. During the last year or two public attention has naturally been concentrated mainly upon the ordinary revenue and expenditure, owing to the very large deficits that have occurred. But my Honourable and revered friend Sir Dinshaw Wacha has, I believe, on more than one occasion pointed out here the great importance of the ways and means figures, for it is in their ways and means operations that the actual financial policy of Government is manifested. At the same time, it is very difficult to budget for ways and means in the same way we budget for our ordinary revenue and expenditure, and it is never possible to adhere to any strict programme in regard to operations which consist in financing the country's various liabilities and in finding cash for our own and the provinces' day to day disbursements. Of course we may say beforehand that we hope to do so and so, but it is never possible to forecast with any accuracy the changing conditions of the money markets, both here and in London. I am not therefore going to trouble the House with many details about ways and means. Honourable Members will find, however, in the Finance Member's speech a summary of our ways and means operations during the current year and a forecast of our liabilities and assets next year. The only thing I wish to say about the current year is to draw attention to the fact that, owing to our large rupee and unprecedentedly large sterling borrowings, we have been able to make a substantial reduction in our floating debt. We have reduced the Treasury Bills held by the public by 32½ crores and we have cancelled Treasury Bills held in the Currency Reserve to the extent of 8½ crores. We cannot hope to make such large reductions in the ensuing year, but it is Government's intention to do all they can to pursue the policy of funding the floating debt by converting it into securities of longer term.

These large sterling borrowings of ours in the current year have also facilitated the provision of funds in London to meet our sterling obligations. As the House knows, we took advantage of the strengthening of exchange which occurred at the New Year to remit funds to England by the sale of Council Bills. We did this somewhat in advance of the Secretary of State's actual requirements but at a time when we knew that it would be convenient to the market, and when we knew also that we could hope to get our money home at fairly favourable rates.

As regards next year, we are providing the usual 30 crores for railway capital expenditure *plus* the large lapse which has occurred in this year's grant, making a total of 38½ crores. We shall unfortunately have to allow certain Provincial Governments large overdrafts to meet their revenue deficits, and we also are making loans to several of them for capital expenditure, particularly a large amount to the Bombay Government for expenditure on their development scheme. Altogether, as the estimates stand at present, we expect to have to meet liabilities of about 67 crores, and we are assuming, of course purely for budget purposes, that we shall be able to secure a rupee loan of 25 crores and to make sterling borrowings of £15 millions. With these resources, added to certain other assets which are mentioned in the Finance Member's speech, we hope to meet the liabilities I have mentioned and in addition to effect a further reduction of 5 or 6 crores in our floating debt. On the estimates as they stand at present it will be necessary to remit the sum of about £27 millions sterling to London during the course of the next year. That can be done in two ways. Firstly, we can purchase exchange, one method of which is by selling Council Bills in London, and secondly, we can draw on the Paper Currency Reserve or the Gold Standard Reserve in London, against a corresponding ear-marking out here; but it is obviously impossible for Government to commit themselves in advance as to the extent to which they will combine these two methods, it must depend on the actual money and exchange conditions of the moment.

That completes my summary of the Budget and I have only to thank the Council very cordially for the great patience with which they have listened to what I fear has been a rather bald recital of dry facts and figures.

Revised Schedule of demands for grants for expenditure of the Central Government for the year 1923-24 submitted for the vote of the Legislative Assembly.

Number of demand.	Service, Administration or Area to which demand relates.	Amount as in original schedule of demands.	Reduction now proposed.	Reduced amount submitted for the vote of the Assembly.
		R	R	R
A.—Expenditure from Revenue.				
1	Customs	66,86,000	69,000	66,17,000
2	Taxes on Income	58,93,000	...	58,93,000
3	Salt	1,14,68,000	84,000	1,13,84,000
4	Opium	1,87,53,000	1,00,000	1,86,53,000
5	Excise	1,000	...	1,000
6	Stamps	2,52,000	2,51,000	1,000
7	Forests	9,83,000	55,000	9,28,000
8	Railways (inclusive of Working Expenses and payment of Surplus Profits to Railway Companies).	67,47,79,000	3,00,00,000	64,47,79,000
9	Irrigation (including Working Expenses), Navigation, Embankment and Drainage Works.	13,12,000	15,000	12,97,000
10	Indian Postal and Telegraph Department (including Working Expenses).	8,10,93,000	3,00,000	8,07,93,000
11	Indo-European Telegraph Department (including Working Expenses).	27,31,000	5,07,000	22,24,000
12	Interest on Debt and Sinking Funds	22,000	...	22,000
13	Interest on Miscellaneous Obligations	3,20,93,000	...	3,20,93,000
14	General Administration	81,58,000	7,58,000	74,00,000
15	Audit	69,72,000	...	69,72,000
16	Jails and Convict Settlements	2,000	...	2,000
17	Police	22,000	...	22,000
18	Ports and Pilotage	11,08,000	...	11,08,000
19	Survey of India	26,47,000	6,50,000	19,97,000
20	Meteorology	5,84,000	22,000	5,62,000
21	Geological Survey	1,72,000	...	1,72,000
22	Botanical Survey	18,35,000	53,000	17,82,000
23	Zoological Survey	1,30,000	20,000	1,10,000
24	Archæology	15,45,000	3,00,000	12,45,000
25	Mines	1,06,000	...	1,06,000
26	Other Scientific Departments	5,70,000	1,00,000	4,70,000
27	Education	2,80,000	31,000	2,49,000
28	Medical Services	8,06,000	76,000	7,30,000
29	Public Health	8,62,000	5,05,000	3,57,000
30	Agriculture	7,05,000	44,000	6,61,000
31	Civil Veterinary Services	6,46,000	35,000	6,11,000
32	Industries	44,000	...	44,000
33	Aviation	29,000	10,000	19,000
34	Commercial Intelligence	2,63,000	50,000	2,13,000
35	Census	39,000	13,000	26,000
36A.	Emigration—Internal	56,000	...	56,000
36B.	External	44,000	...	44,000
37	Joint-Stock Companies	1,33,000	...	1,33,000
38	Miscellaneous Departments	20,27,000	1,90,000	18,37,000
Carried over		86,58,56,000	3,42,38,000	83,16,18,000

Revised Schedule of demands for grants for expenditure of the Central Government for the year 1923-24 submitted for the vote of the Legislative Assembly—*cont d.*

Number of demand.	Service, Administration or Area to which demand relates.	Amount as in original schedule of demands.	Reduction now proposed.	Reduced amount submitted for the vote of the Assembly.
		R	R, I	R
	Brought forward	86,58,56,000	3,42,38,000	83,16,18,000
	A.—Expenditure from Revenue <i>—cont d.</i>			
39	Currency	49,68,000		49,68,000
40	Mint	16,33,000	34,000	15,99,000
41	Civil Works (under the control of the Public Works Department)	1,27,07,000	10,70,000	1,16,37,000
42	Superannuation Allowances and Pensions	39,44,000	1,00,000	38,44,000
43	Stationery and Printing	70,49,000	12,57,000	57,92,000
44	Miscellaneous	21,43,000	20,000	21,23,000
45	Adjustments with Provincial Governments	3,62,000		3,62,000
46	Refunds	7,17,000		7,17,000
47	North-West Frontier	1,05,40,000	3,40,000	1,02,00,000
48	Baluchistan	27,54,000	71,000	26,83,000
49	Delhi	30,58,000	2,25,000	28,33,000
50	Coorg	13,89,000	62,000	13,27,000
51	Ajmer and Merwara	15,17,000	50,000	14,67,000
52	Andamans and Nicobar Islands	41,59,000		41,59,000
53	Rajputana	4,73,000	34,000	4,39,000
54	Central India	6,59,000	27,000	6,32,000
55	Hyderabad	1,86,000	9,000	1,77,000
	Expenditure in England—Secretary of State for India	15,82,000	1,00,000	14,82,000
57	Expenditure in England—High Commissioner for India	82,46,000	4,58,000	77,88,000
Non-voted	Ecclesiastical, Political, etc.			
	Lump allowance for further retrenchment in Civil expenditure (including Railways)	93,39,42,000	3,80,95,000	89,58,47,000
		—4,00,00,000	—4,00,00,000	
	TOTAL	89,39,42,000	—19,05,000	89,58,47,000
	B.—Expenditure charged to Capital.			
58	Railways	38,61,93,000		38,61,93,000
59	Irrigation	22,000		22,000
60	Telegraphs	96,22,000	1,92,000	94,30,000
61	New Capital at Delhi	1,93,24,000		1,93,24,000
	TOTAL	41,51,61,000	1,92,000	41,49,69,000
	C.—Disbursements of Loans and Advances.			
62	Interest-free advances	9,13,69,000		9,13,69,000
63	Loans and advances bearing interest	14,48,68,000		14,48,68,000
	TOTAL	23,62,37,000		23,62,37,000
	GRAND TOTAL	1,54,53,40,000	(a)—17,13,000	1,54,70,53,000

(a) The reductions shown in this schedule relate to voted expenditure. In addition, a reduction of Rs26,32,000 has been made in non-voted expenditure.

Statement comparing the Budget Estimates of Civil Expenditure for 1923-24 as now revised with the Budget for 1922-23 and the reductions recommended therein by the Retrenchment Committee.

[In thousands of Rupees.]

Heads of Expenditure.	Budget, 1922-23, as shown on pages 292-293 of the Retrenchment Committee's Report.	Reduction recommended by the Retrenchment Committee.	Budget, 1923-24, as in estimates presented on 1st March.	Further reduction on distribution of lump deduction.	Budget, 1923-24, as revised (Column 4—Column 5.)	Reduction made in revised budget for 1923-24 on budget for 1922-23 (column 2—column 6) exclusive of interest and sinking fund charges.
1	2	3	4	5	6	7
Customs	72,74	47	77,19	69	76,50	-3,76
Taxes on Income	47,01	...	63,79	...	63,79	-16,78
Salt	1,73,65	19,15	1,55,34	84	1,54,50	19,15
Opium	1,86,53	20,00	1,89,31	1,00	1,88,31	-1,78
Land Revenue	15,64	3,97	11,93	27	11,66	3,98
Excise	2,84	13	2,74	3	2,71	13
Stamps—						
Non-Judicial	22,73	22,00	3,10	5,87	-2,77	25,50
Judicial	52,45	6,90	47,06	96	46,10	6,35
Forest	48	4	42	...	42	6
Registration						
Total	5,74,07	72,66	5,50,88	9,66	5,41,22	32,85
Railways—						
Working expenses	67,99,00	4,59,00	66,51,50	3,00,00	63,51,50	4,47,50
Surplus profits paid to companies	60,00	...	98,77	...	98,77	-38,77
Subsidised companies	19,83	...	25,90	...	25,90	-6,07
Miscellaneous Railway Expenditure	29,77	...	12,50	...	12,50	17,27
	69,08,60	4,59,00	67,88,67	3,00,00	64,88,67	4,19,93
Interest on Debt	16,77,95	...	18,77,90	...	18,77,90	
Interest on Capital contributed by companies	3,36,10	...	3,22,30	...	3,22,30	
Annuities in Purchase of Railways	5,03,63	...	5,03,62	...	5,03,62	
Sinking Funds	45,81	...	49,10	...	49,10	
Total	94,72,09	4,59,00	95,41,59	3,00,00	92,41,59	
Irrigation—						
Working Expenses, Other Revenue Expenditure and Construction of Irrigation, etc., Works financed from ordinary Revenues	14,55	2,18	14,66	20	14,46	9
Interest on Debt	9,51	...	10,88	...	10,88	
Total	24,06	2,18	25,54	20	25,34	
*Carried over	1,00,70,22	5,33,84	1,01,18,01	3,09,86	98,08,15	4,52,87

Statement comparing the Budget Estimates of Civil Expenditure for 1923-24 as now revised with the Budget for 1922-23 and the reductions recommended therein by the Retrenchment Committee—*contd.*

[In thousands of Rupees.]

Heads of Expenditure.	Budget, 1922-23, as shown on pages 292-293 of the Retrenchment Committee's Report.	Reduction recommended by the Retrenchment Committee.	Budget, 1923-24, as in estimates presented on 1st March.	Further reduction on distribution of lump deduction.	Budget, 1923-24, as revised (Column 4—Column 5).	Reduction made in revised budget for 1923-24 on budget for 1922-23 (column 2—column 6), exclusive of interest and sinking fund charges.
1	2	3	4	5	6	7
Brought forward	1,00,70,22	5,33,84	1,01,18,01	3,09,86	98,08,15	4,52,87
POSTS AND TELEGRAPHS—						
<i>Indian Postal and Telegraph Department.</i>						
Working Expenses and Miscellaneous Expenditure	9,53,27	1,37,27	8,24,90	3,00	8,21,90	1,31,37
Interest on Debt	66,00	...	68,28	...	68,28	...
Total	10,19,27	1,37,27	8,93,18	3,00	8,90,18	1,31,37
<i>Indo-European Telegraph Department.</i>						
Working Expenses	43,35	7,34	41,09	5,07	36,02	7,33
Capital outlay charged to Revenue	...	...	-3,19	...	-3,19	3,19
Total	43,35	7,34	37,90	5,07	32,83	10,52
Interest on ordinary Debt	11,86,02	...	11,79,52	...	11,79,52	...
Interest on other obligations	3,23,63	...	3,21,61	...	3,21,61	...
Sinking Funds	2,29,00	...	2,20,44	...	2,20,44	...
Total	17,38,65	...	17,21,57	...	17,21,57	...
General Administration—						
A.—Heads of Provinces, etc.	1,98,57	49,69	1,74,62	12,42	1,62,20	36,37
B.—Legislative Bodies						
C.—Secretariat, etc., establishment						
D.—Commissioners						
E.—District Administration						
F.—Home Administration, etc.	...	...	...	...	...	...
Carried over	1,98,57	49,69	1,74,62	12,42	1,62,20	36,37
	1,28,71,49	6,78,45	1,27,70,66	3,17,93	1,24,52,73	5,94,76

Statement comparing the Budget Estimates of Civil Expenditure for 1923-24 as now revised with the Budget for 1922-23 and the reductions recommended therein by the Retrenchment Committee—concl'd.

[In thousands of Rupees.]

Heads of Expenditure:	Budget, 1922-23, as shown on pages 292-293 of the Retrenchment Committee's Report.	Reduction recommended by the Retrenchment Committee.	Budget, 1923-24, as in estimates presented on 1st March.	Further reduction on distribution of lump deduction.	Budget, 1923-24, as revised (column 4—column 5.)	Reduction made in revised budget for 1923-24 on budget for 1922-23 (column 2—column 6) exclusive of interest and sinking fund charges.
1	2	3	4	5	6	7
Brought forward	1,28,71,49	6,78,45	1,27,70,46	3,17,93	1,24,52,73	5,94,76
Audit Administration of Justice Jails and Convict Settlements Police Ports and Pilotage Ecclesiastical Political Scientific Departments Education Medical Public Health Agriculture Industries Aviation Miscellaneous Departments Total	1,98,57 63,16 10,29 44,35 81,90 23,32 33,83 2,93,14 1,12,60 32,96 32,84 16,32 23,36 1,59 48 26,71 10,18,42	49,89 3,76 61 4,80 1,07 2,11 2,00 45,70 80,02 5,19 6,40 7,79 2,56 1,29 33 11,18 1,75,00	1,74,62 79,40 12,04 40,89 89,48 25,67 33,27 3,31,36 1,02,60 34,86 30,62 21,95 21,66 76 44 46,73 10,46,35	12,42 .. 32 80 2,68 55 44 16,75 13,67 2,70 2,82 5,25 85 .. 20 3,81 63,26	1,62,20 79,40 11,72 40,09 86,80 25,12 32,83 3,14,61 88,93 32,16 27,80 16,70 20,81 76 24 42,92 9,83,09	36,87 3,76 -1,43 4,26 -4,90 1,20 1,00 -21,47 23,67 80 5,04 -38 2,55 83 24 -16,21 35,33
Currency	80,82	..	94,89	..	94,89	-14,07
Misc	27,34	4,12	18,56	34	18,22	4,12
Exchange	20,60	..	..	..	..	20,60
Total	1,23,76	4,12	1,13,45	34	1,13,11	10,65
Civil Works	1,61,57	15,30	1,67,63	11,00	1,76,63	-14,76
Famine Relief	27	27	5	..	5	22
Territorial and Political Pensions	31,42	1,08	29,86	..	29,86	1,56
Superannuation Allowances and Pensions	3,54,27	6,30	3,47,62	1,00	3,46,62	7,65
Stationery and Printing	75,56	10,37	72,57	12,57	60,00	15,56
Miscellaneous	69,16	14,03	71,03	1,17	69,56	-68
Total	5,30,70	32,05	5,21,13	14,74	5,06,39	24,31
Miscellaneous adjustments between the Central and Provincial Governments	63,29	..	3,62	..	3,62	59,67
GRAND TOTAL	1,47,69,53	9,04,92	1,46,42,84	4,07,27	1,42,35,57	7,09,96

Explanatory note on further reductions proposed.

Customs.—The reduction of ₹69,000 is on account of contemplated savings in overtime charge.

Salt.—A reduction of ₹84,000 under manufacturing charges is made to reduce budget to Committee's figure.

Opium.—The reduction taken into account in the report of the Committee was arrived at before the amounts required for purchase of opium were finally settled. A subsequent further provision of ₹20 lakhs has had to be made for purchase of Malwa opium. It is proposed to reduce ₹1,00,000 by economies in establishment and miscellaneous charges.

Land Revenue.—A reduction of ₹27,000 is proposed in the estimates for Coorg.

Stamps.—The reduction of ₹5,87,000 is arrived at by allowing for recovery of all overhead charges of the Department and for larger credits on account of issues of surplus stocks in store.

Forest.—The reduction of ₹96,000 is effected by not filling up two appointments and by reduction in miscellaneous expenditure at the Research Institute.

Railways.—The reduction of ₹3 crores in working expenses follows the recommendations of the Retrenchment Committee, allowing for 'lag' of about half a crore.

Irrigation.—The reduction of ₹20,000 in working expenses is on account of the proposed abolition of one administrative division in the North-West Frontier Province.

Posts and Telegraphs.—Excluding interest on Debt the budget of the Department was about ₹9 lakhs above that recommended by the Retrenchment Committee. A further provisional reduction of ₹3 lakhs has been made in the provision for expansion of establishment.

Indo-European Telegraph Department.—The reduction of ₹5 lakhs takes into account the full retrenchment recommended.

General Administration.—The further reduction of ₹12,42,000 is made up as follows:—

	R
India Office	2,25,000
High Commissioner	1,50,000
Foreign and Political Department	95,000
Home Department and attached offices	1,62,000
Legislative Department	88,000
Army Department	22,000
Lump reduction for reorganisation of Secretariat Departments	5,00,000
TOTAL	12,42,000

Administration of Justice.—A reduction of ₹20,000 in the provision for establishment in the North-West Frontier Province and of ₹12,000 by abolition of Small Causes Court in Ajmer.

BUDGET FOR 1923-24.

Jails and Convict Settlements.—A reduction of roughly 20 per cent. in the provision for rations and clothing of prisoners in the jails of the minor Administrations owing to fall in prices.

Police.—Reductions in the strength and cost of the police forces in the minor Administrations are proposed as follows:—

	R
North-West Frontier Province	1,25,000
Delhi	60,000
Coorg	10,000
Ajmer	15,000
Rajputana	34,000
Central India	24,000
TOTAL	2,68,000

It may be noted that the provision for 1922-23 shown in the statement takes into account deductions of R9,51,000 provisionally made under this head to meet the cuts made by the Assembly on the total estimates for the minor Administrations. The bulk of these reductions were, however, subsequently distributed under other heads and consequently the actual expenditure on police was much higher than R81.90 lakhs.

Ports and Pilotage.—A reduction of R55,000 is proposed in the provision for allowances to Pilots.

Ecclesiastical.—The estimate for 1923-24 is R56,000 lower than that for 1922-23 and it is proposed to reduce a further R44,000 in order to make up R1 lakh which is half the reduction proposed by the Committee and allows for the necessary 'lag'.

Political.—Reductions are proposed as follows:—

	R	
North-West Frontier Province	1,27,000	in cost of irregular forces and entertainment charges.
Baluchistan	11,35,000	in provision for additional levies and miscellaneous charges.
Persian Gulf	1,07,000	on cost of "Lawrence," and "Nearchus".
Rajputana	25,000	
Central India	27,000	
Gwalior	23,000	
Kashmir	11,000	
Bombay excluding Aden	56,000	
Burra	1,10,000	Charges on North-East Frontier.
Miscellaneous	30,000	
TOTAL	16,75,000	

BUDGET FOR 1923-24.

75

The apparent large increase in expenditure in 1923-24 is due to the inclusion under this head of nearly 60 lakhs for expenditure on military police in Burma and Assam formerly shown under the head 'Adjustments'

Scientific Departments.—Reductions are proposed as follows :—

	R
Survey of India	6,50,000
Metecology	22,000
Geological Survey	20,000
Botanical Survey	53,000
Zoological Survey	20,000
Archæology	3,00,000
Expenditure in England, etc.	3,02,000
TOTAL	13,67,000

Education.—Reductions are proposed as follows :—

	R
Chiefs' Colleges	31,000
<i>Grants for colleges and secondary education.</i>	
North-West Frontier Province	1,00,000
Baluchistan	15,000
Delhi	75,000
Coorg	20,000
Ajmer	20,000
Hyderabad	9,000
TOTAL	2,70,000

Medical.—The proposed reductions are :—

	R
Headquarters charges and Research	1,00,000
Expenditure on X-Rays stores in England	1,27,000
Reductions in minor Administrations	55,000
TOTAL	2,82,000

Public Health.—The reductions proposed are :—

	R
Grants to Research Associations	5 00,000
„ Central Health Board	5,000
Reduction of post of Sanitary Commissioner	20,000
TOTAL	5,25,000

Agriculture.

	R
Miscellaneous reductions in cost of Pusa and Muktesar Institutes	66,000
Savings in North-West Frontier and Baluchistan	19,000
TOTAL	<u>85,000</u>

Aviation.

	R
Reductions in provision for Chief Inspector and Miscellaneous Charges	20,000

Miscellaneous Departments.—The reductions are as follows :—

	R
Commercial Intelligence	50,000
Census expenditure	13,000
Board of Examiners	25,000
Indian Stores Department	1,41,000
Indian Trade Commissioner in London	60,000
Trade Commissioner in East Africa	39,000
Stores, etc., in England	45,000
Trade registration in North-West Frontier Province and Baluchistan	8,000
TOTAL	<u>3,51,000</u>

The larger provision for 1923-24 is due to charges in England on account of the British Empire Exhibition (R15 lakhs).

Currency.—The increase in expenditure in 1923-24 is mainly due to larger payments on account of currency notes in England.

Civil Works.—Further reductions of R5 lakhs are proposed in the allotment for major works and R3½ lakhs on allotment for repairs bringing the latter down to the figure mentioned in Committee's Report. As a result an automatic reduction of about R1,70,000 occurs in payment to local Governments for work done for the Central Government. Reductions have already been effected to meet Committee's Report in Rajputana and Central India establishments and a further reduction of R20,000 is proposed for Coorg.

Stationery and Printing.—Considerable further savings are proposed in the cost of Government presses and in the indent for stationery stores in England.

Miscellaneous.—Reductions are proposed as follows :—

	R
Revision of incidence of certain payments to local funds	20,000
Reserve at disposal of Chief Commissioner, North-West Frontier Province, etc.	32,000
Reductions in payments to Delhi Notified Area Committee, etc.	65,000
TOTAL	<u>1,17,000</u>

Declaration by the Governor-General in Council under section 67-A (7) of the Government of India Act regarding certain demands refused by the Legislative Assembly.

In pursuance of section 67-A (7) of the Government of India Act the Governor General in Council is pleased to declare that the following demands which have been refused by the Legislative Assembly are essential to the discharge of his responsibilities, namely :—

Number of demand.	Service to which demand relates.	Amount of demand refused by the Legislative Assembly.
8	Railways—Working Expenses	1,14,00,000
44	Miscellaneous—Public Services Commission	3,00,000

E. M. COOK,

Secretary to the Government of India.

The 20th March 1923.

Statement of deficit for 1923-24 as it stood after the voting of demands by the Legislative Assembly.

The net revenue of the Central Government (*i.e.*, after deduction of the working expenses of Commercial Departments) and the expenditure chargeable to revenue stood as follows in the estimates placed before the Legislature on the 1st March :—

	R
Net revenue	1,26,61,71,000
Expenditure	1,30,87,92,000
	<hr/>
Deficit	4,26,21,000
	<hr/>

2. In distributing the lump reduction of 4 crores made in the original estimates for giving effect to the recommendations of the Retrenchment Committee, the Government of India found it possible to make a reduction of R7,27,000 in excess of 4 crores. The following further reductions were:

BUDGET FOR 1923-24.

made) by the Legislative Assembly in the course of the voting of the demands:—

1) Customs	4,00,000
2) Railways	50,00,000
3) Do.	1,14,00,000
4) General Administration	5,10,000
5) Stamps	1
(6) Miscellaneous: Public Services Commission	3,00,000
	1,76,10,001

3. The Governor General in Council has decided to restore the reductions numbered (3) and (6), and having regard to the very large reductions already made in the estimates of expenditure, it is considered that an allowance of R9 lakhs should be made for supplementary grants in respect of reductions Nos. (1) and (4). The corrected estimates of revenue and expenditure thus stand at R1,30,16,79,000 and R1,33,85,62,999 respectively and the deficit at R3,68,83,999.

The 22nd March 1923.

THE INDIAN FINANCE BILL.

AS PASSED BY THE LEGISLATIVE ASSEMBLY ON THE 20TH MARCH 1923.

A Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax.

WHEREAS it is expedient to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax; It is hereby enacted as follows:—

Short title, extent and duration: **1. (1)** This Act may be called the Indian Finance Act, 1923.

(2) It extends to the whole of British India, including the Sonthal Parganas and British Baluchistan.

(3) Sections 2, 4 and 6 shall remain in force only up to the 31st day of March 1924.

2. (1) The provisions of section 7 of the Indian Salt Act, 1882, shall, in so far as they enable the Governor General in Council to impose by rule made under that section a duty on salt manufactured in, or imported into, any part of British India other than Burma and Aden, be construed as if they imposed such duty at the rate of one rupee and four annas per maund of eighty-two and two-sevenths pounds avoirdupois of salt manufactured in, or imported by land into, any such part, any such duty shall, for all the purposes of the said Act, be deemed to have been imposed by rule made under that section.

(2) Section 2 of the Indian Finance Act, 1922, is hereby repealed.

(3) Notwithstanding anything contained in the Provisional Collection of Taxes Act, 1918, the duty on salt manufactured in, or imported into, any part of British India other than Burma and Aden, shall for the period beginning on the first day of March, 1923, and ending on the day preceding the commencement of this Act, be deemed for all the purposes of the Indian Salt Act, 1882, to have been imposed by rule made under section 7 of that Act at the rate of two rupees and eight annas per maund of eighty-two and two-sevenths pounds avoirdupois.

3. (1) In Schedule II to the Indian Tariff Act, 1894, the amendments specified in the First Schedule to this Act shall be made.

(2) In Schedule III to the same Act, in item No. 3, for the entry in the fourth column the entry "5 per cent." shall be substituted.

4. With effect from the first day of April, 1923, the Schedule contained in the Second Schedule to this Act shall be inserted in the Indian Post Office Act, 1898, as the First Schedule to that Act.

5. In sub-section (7) of section 19 of the Indian Paper Currency Act Amendment of Act of 1923, for the figures "1923" the figures "1924" shall be substituted.

6. (1) Income-tax for the year beginning on the first day of April, 1923, shall be charged at the rates specified in Part I of the Third Schedule.

XI of 1922. (2) The rates of super-tax for the year beginning on the first day of April, 1923, shall, for the purposes of section 55 of the Indian Income-tax Act, 1922, be those specified in Part II of the Third Schedule.

XI of 1922. (3) For the purposes of the Third Schedule, "total income" means total income as defined in clause (15) of section 2 of the Indian Income-tax Act, 1922.

XVI of 1898. It is hereby declared that it is expedient in the public interest that the provisions of clauses 2 and 3 of this Bill should have temporary effect under the provisions of the Provisional Collection of Taxes Act, 1918.

[Schedules as on pages 53-58 of this volume.]

RECOMMENDATION BY THE GOVERNOR GENERAL TO THE COUNCIL OF STATE.

In pursuance of the provisions of sub-section (1) of section 67-B of the Government of India Act, 1, Rufus Daniel, Earl of Reading, do recommend to the Council of State that it do pass the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1893, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, in the form in which it was passed by the Legislative Assembly with the following amendments, namely:—

(1) That in sub-clause (1) of clause 2, after the words "construed as if" the words "with effect from the first day of March, 1923," be inserted, and that for the words "one rupee and four annas" the words "two rupees and eight annas" be substituted.

(2) That at the beginning of sub-clause (2) of clause 2 the following words be inserted, namely:—

"With effect from the first day of March, 1923".

(3) That sub-clause (3) of clause 2 be omitted.

(4) That to clause 3 a new sub-clause be added, namely:—

"(3) The amendments made in the Indian Tariff Act, 1894, by this section shall have effect from the first day of March, 1923."

READING,

Viceroy and Governor General.

15 March 20th, 1923.

THE INDIAN FINANCE BILL.

AS PASSED BY THE COUNCIL OF STATE ON THE 23RD MARCH, 1923.

A Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax.

WHEREAS it is expedient to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax; It is hereby enacted as follows:—

VIII of 1894.
VI of 1898.
X of 1923.

1. (1) This Act may be called the Indian Finance Act, 1923.
Short title, extent and duration.

(2) It extends to the whole of British India, including the Sonthal Parganas and British Baluchistan.

(3) Sections 2, 4 and 6 shall remain in force only up to the 31st day of March, 1924.

2. (1) The provisions of section 7 of the Indian Salt Act, 1882, shall, in so far as they enable the Governor General in Council to impose by rule made under that section a duty on salt manufactured in, or imported into, any part of British India other than Burma and Aden, be construed as if with effect from the first day of March, 1923, they imposed such duty at the rate of two rupees and eight annas per maund of eighty-two and two-sevenths pounds avoirdupois of salt manufactured in, or imported by land into, any such part, and such duty shall, for all the purposes of the said Act, be deemed to have been imposed by rule made under that section.

XII of 1882.

(2) With effect from the first day of March, 1923, section 2 of the Indian Finance Act, 1922, is hereby repealed.

XII of 1922.

3. (1) In Schedule II to the Indian Tariff Act, 1894, the amendments specified in the First Schedule to this Act shall be made.

Amendment of Act VIII of 1894.

VIII of 1894.

(2) In Schedule III to the same Act, in item No. 3, for the entry in the fourth column the entry "5 per cent." shall be substituted.

(3) The amendments made in the Indian Tariff Act, 1894, by this section shall have effect from the first day of March, 1923.

VIII of 1894.

4. With effect from the first day of April, 1923, the Schedule contained in the Second Schedule to this Act, shall be inserted in the Indian Post Office Act, 1898, as the First Schedule to that Act.

Postal rates.

VI of 1898.

X of 1923. 5. In sub-section (7) of section 19 of the Indian Paper Currency Act, Amendment of Act X of 1923. 1923, for the figures "1923" the figures "1924" shall be substituted.

6. (1) Income-tax for the year beginning on the first day of April, 1923, shall be charged at the rates specified in Part I of the Third Schedule.
Income-tax and super-tax.

XI of 1922. (2) The rates of super-tax for the year beginning on the first day of April, 1923, shall, for the purposes of section 55 of the Indian Income-tax Act, 1922, be those specified in Part II of the Third Schedule.

XI of 1922. (3) For the purposes of the Third Schedule, "total income" means total income as defined in clause (15) of section 2 of the Indian Income-tax Act, 1922.

XVI of 1918 It is hereby declared that it is expedient in the public interest that the provisions of clauses 2 and 3 of this Bill should have temporary effect under the provisions of the Provisional Collection of Taxes Act, 1918.

[Schedules as on pages 36—39 of this volume.]

RECOMMENDATION BY THE GOVERNOR GENERAL TO THE LEGISLATIVE ASSEMBLY.

In pursuance of the provisions of sub-section (1) of section 67-B of the Government of India Act, I, Rufus Daniel, Earl of Reading, do recommend to the Legislative Assembly that it do pass the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, in the form in which it was passed by the Council of State.

READING,

March 23rd, 1923.

Viceroy and Governor General.

CERTIFICATE BY THE PRESIDENT, LEGISLATIVE ASSEMBLY.

The Legislative Assembly has failed to pass the Bill in the form recommended.

A. F. WHYTE,

27th March, 1923.

President of the Legislative Assembly.

CERTIFICATE BY THE GOVERNOR GENERAL.

WHEREAS I, Rufus Daniel, Earl of Reading, in pursuance of the power conferred by sub-section (1) of section 67-B of the Government of India Act did recommend to the Council of State that it should pass the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, in the form annexed hereto,

AND WHEREAS the Council of State did pass the said Bill in that form,

AND WHEREAS I did, in pursuance of the same power, recommend to the Legislative Assembly that it should pass the said Bill in the form in which it was passed by the Council of State,

AND WHEREAS the Legislative Assembly has failed to pass the said Bill in that form,

NOW THEREFORE I, Rufus Daniel, Earl of Reading, in exercise of the power conferred by the said sub-section, do hereby certify that the passage of the said Bill is essential for the interests of British India.

READING,

The 29th March, 1923.

Viceroy and Governor General.

GOVERNMENT OF INDIA.

LEGISLATIVE DEPARTMENT.

Delhi, the 29th March, 1923.

The following Act made by the Governor General under the provisions of section 67-B of the Government of India Act is hereby published for general information:—

An Act to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax.

WHEREAS it is expedient to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax; It is hereby enacted as follows:—

VIII of 1894
VI of 1898.
X of 1923.

Short title, extent and duration. 1. (1) This Act may be called the Indian Finance Act, 1923.

(2) It extends to the whole of British India, including the Sonthal Parganas and British Baluchistan.

(3) Sections 2, 4 and 6 shall remain in force only up to the 31st day of March, 1924.

- XII of 1882.** 2. (1) The provisions of section 7 of the Indian Salt Act, 1882, shall, in so far as they enable the Governor General in Council to impose by rule made under that section a duty on salt manufactured in, or imported into, any part of British India other than Burma and Aden, be construed as if, with effect from the first day of March, 1923, they imposed such duty at the rate of two rupees and eight annas per maund of eighty-two and two-sevenths pounds avoirdupois of salt manufactured in or imported by land into, any such part, and such duty shall, for all the purposes of the said Act, be deemed to have been imposed by rule made under that section.
- Fixation of salt duty.
- (2) With effect from the first day of March, 1923, section 2 of the Indian Finance Act, 1922, is hereby repealed.
- XII of 1922.** **VIII of 1894.** 3. (1) In Schedule II to the Indian Tariff Act, 1894, the amendments specified in the First Schedule to this Act shall be made.
- Amendment of Act VIII of 1894.
- (2) In Schedule III to the same Act, in item No. 3, for the entry in the fourth column the entry "5 per cent." shall be substituted.
- VIII of 1894.** (3) The amendments made in the Indian Tariff Act, 1894, by this section shall have effect from the first day of March, 1923.
4. With effect from first day of April, 1923, the Schedule contained in the Second Schedule to this Act shall be inserted in the Indian Post Office Act, 1898, as the First Schedule to that Act.
- VI of 1898.** Postal rates.
- X of 1923.** 5. In sub-section (7) of section 19 of the Indian Paper Currency Act, 1923, for the figures "1923" the figures "1924" shall be substituted.
- Amendment of Act X of 1923.
6. (1) Income-tax for the year beginning on the first day of April, 1923, shall be charged at the rate specified in Part I of the Third Schedule.
- Income-tax and super-tax.
- (2) The rates of super-tax for the year beginning on the first day of April, 1923, shall, for the purposes of section 35 of the Indian Income-tax Act, 1922, be those specified in Part II of the Third Schedule.
- XI of 1922.** (3) For the purposes of the Third Schedule, "total income" means total income as defined in clause (15) of section 2 of the Indian Income-tax Act, 1922.
- XI of 1922.** 1922.

SCHEDULE I.

Amendments to be made in Schedule II to the Indian Tariff Act, 1894.

[See section 3 (1).]

1. In Item No. 4, after the words "all sorts" the words "except ochres and other pigment ores" shall be added.

2. For Item No. 14 the following shall be substituted, namely :—

"CINCHONA BARK and the alkaloids extracted therefrom including QUININE."

3. In Item No. 29, for the words " spirit, which has been rendered effectually and permanently unfit for human consumption " the words " Denatured Spirit " shall be substituted.

4. In Item No. 30, to the entry in the fourth column the words " or 15 per cent. *ad valorem*, whichever is higher " shall be added.

5. In Item No. 31, the following shall be added to each of the entries in the fourth column, namely :—

" or 15 per cent. *ad valorem*, whichever is higher."

6. In Item No. 34, in the second column, the words " and saccharine produce of all sorts " shall be omitted.

7. After Item No. 34, the following heading and items shall be inserted, namely :—

SACCHARINE.			
34-A.	SACCHARINE (except in tablets)	Pound	2J 0
34-B.	SACCHARINE TABLETS	<i>Ad valorem</i>	25 per cent. or R20 per pound of saccharine contents, whichever is higher."

8. In Item No. 43, for the entry in the fourth column, the following shall be substituted namely :— " 24-0 or 15 per cent. *ad valorem*, whichever is higher."

9. For Item No. 51 the following items shall be substituted, namely :—

.. 51 MACHINERY, namely, such of the following articles as are not specified in any of the following numbers, namely, Nos. 15, 16, 53, 54, 55, 87, 90-A., 96, 103, 111 and 127 :—

- (1) prime-movers, boilers, locomotive engines and tenders for the same, portable engines (including power-driven road rollers, fire engines and tractors), and other machines in which the prime-mover is not separable from the operative parts ;
- (2) machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour, or which before being brought into use require to be fixed with reference to other moving parts ;
- (3) apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose ;
- (4) control gear, self-acting or otherwise, and transmission-gear designed for use with any machinery above specified, including belting of all materials and driving chains but not driving ropes ;
- (5) bare hard-drawn electrolytic copper wires and cables and other electrical wires and cables, insulated or not ; and poles, troughs, conduits and insulators designed as parts of a transmission system, and the fittings thereof.

Note.—The term " industrial system " used in sub-clause (3) means an installation designed to be employed directly in the performance of any process or series of processes necessary for the manufacture, production or extraction of any commodity.

51 A COMPONENT PARTS OF MACHINERY, as defined in No. 51, namely, such parts only as are essential for the working of the machine or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose :

Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable."

10. Item No. 52 and the heading thereto shall be omitted.

11. Item No. 56 shall be omitted.

12. For Item No. 61 the following shall be substituted, namely :—

"61 IRON OR STEEL, anchors and cables.

" " " beams, joists, pillars, girders and other structural shapes, whether fabricated or not, screw piles, bridge work and other descriptions of iron or steel not ordinarily used for other than building purposes ; including ridging, guttering, flashing and continuous roofing ; also including expanded metal and other descriptions of iron or steel designed for use in the reinforcing of concrete ; but not including builders' hardware, that is to say, grates, stoves, ventilators, door and window fittings and the like ; (See No. 90.)

" " " bolts and nuts, including hook-bolts and nuts for roofing.

" " " hoops and strips.

" " " nails, rivets and washers, all sorts.

" " " pipes and tubes and fittings therefor, that is to say, bends, boots, elbows, tees, sockets, flanges, plugs, valves, cocks and the like.

" " " rails, chairs, sleepers, bearing and fish-plates, spikes (commonly known as dog-spikes), switches and crossings, other than those described in No. 63, also lever-boxes, clips and tie-bars.

" " " sheets and plates, all sorts, whether fabricated or not, including discs and circles.

" " " wire, including fencing-wire, piano-wire and wire-rope, but excluding wire netting (See No. 97)."

13. In Item No. 63, the words "engines, tenders" shall be omitted, and for the second proviso, the following proviso shall be substituted, namely :—

"Provided also that nothing shall be deemed to be dutiable hereunder which is dutiable under No. 51 or No. 51-A."

14. After Item No. 63 the following item shall be inserted, namely :—

"63-A. COMPONENT PARTS OF RAILWAY MATERIALS, as defined in No. 63, namely, such parts only as are essential for the working of railways and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose :

Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the railway material to which they belong, if they are essential to its operation and are imported, with it in such quantities as may appear to the Collector of Customs to be reasonable."

15. To Item No. 64 the following proviso shall be added, namely :—

"Provided that articles of machinery as defined in No. 51 or No. 51-A shall, when separately imported not be deemed to be included hereunder."

16. For Item No. 87 and the heading thereto the following shall be substituted, namely :—

CONVEYANCES.

“87 | **CONVEYANCES**, including tramcars, motor-omnibuses, motor lorries, motor-vans, passenger lifts, carriages, carts, jinrikshas, bath-chairs, perambulators, trucks, wheel arrows, bicycles, tricycles and all other sorts of conveyances not otherwise specified, and component parts and accessories thereof, except such parts and accessories of the motor vehicles abovementioned as are also adapted for use as parts or accessories of motor cars, motor cycles or motor scooters (*See No. 127*).”

17. After Item No. 90 the following item shall be inserted, namely :—

“90A | **ELECTRICAL CONTROL GEAR AND TRANSMISSION GEAR**, namely, switches, fuses and current-breaking devices of all sorts and descriptions, designed for use in circuits of less than ten *amperes* and at a pressure not exceeding 250 volts, and regulators for use with motors designed to consume less than 187 watts; bare or insulated copper wires and cables, any one core of which has a sectional area of less than one-eightieth part of a square inch, and wires and cables of other metals of not more than equivalent conductivity; and line insulators, including also cleats, connectors, leading-in tubes and the like, of types and sizes such as are ordinarily used in connection with the transmission of power for other than industrial purposes, and the fittings thereof.”

18. To Item No. 96 the following shall be added, namely :—

“and any machines (except such as are designed to be used exclusively in industrial processes) which require for their operation less than one quarter of one brake-horsepower.”

19. In Item No. 103, after the word “tiles” the words “firebricks not being component parts of any article included in No. 51 or No. 63” shall be inserted, and after the word “specified” the words “including bitumen and other insulating materials” shall be added.

20. In Item No. 127, the words “bicycles and tricycles” and the words “or of bicycles or tricycles” shall be omitted.

21. To Item No. 130 the words “and parts thereof” shall be added.

22. In Item No. 139, the word “and” shall be inserted after the word “cycles” and the words “bicycles and tricycles” shall be omitted.

SCHEDULE II.

Schedule to be inserted in the Indian Post Office Act, 1898.

(*See section 4.*)

“THE FIRST SCHEDULE.

INLAND P. STAGE RATES.

(*See section 7.*)

Letters.

For a weight not exceeding two and a half tolas	One anna.
For every two and a half tolas, or fraction thereof, exceeding two and a half tolas	One anna.

Postcards.

Single	Half an anna.
Reply	One anna.

BUDGET FOR 1923-24.

Book, Letters and Sample Packets.

For every five tolas or fraction thereof	Half an anna.
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Registered Newspapers.

For a weight not exceeding eight tolas	Quarter of an anna.
For a weight exceeding eight tolas and not exceeding twenty tolas	Half an anna.
For every twenty tolas, or fraction thereof, exceeding twenty tolas	Half an anna.

Parcels.

For a weight not exceeding twenty tolas	Two annas.
For a weight exceeding twenty tolas and not exceeding forty tolas	Four annas.
For every forty tolas, or fraction thereof, exceeding forty tolas	Four annas.

SCHEDULE III.

(See section 6.)

PART I.

Rates of Income-tax.

	Rate.
A. In the case of every individual, every unregistered firm and every undivided Hindu family—	
(1) When the total income is less than R2,000	Nil.
(2) When the total income is R2,000 or upwards, but is less than R5,000	Five pies in the rupee.
(3) When the total income is R5,000 or upwards, but is less than R10,000	Six pies in the rupee.
(4) When the total income is R10,000 or upwards, but is less than R20,000	Nine pies in the rupee.
(5) When the total income is R20,000 or upwards, but is less than R30,000	One anna in the rupee.
(6) When the total income is R30,000 or upwards, but is less than R40,000	One anna and three pies in the rupee.
(7) When the total income is R40,000 or upwards	One anna and six pies in the rupee.
B. In the case of every company, and every registered firm, whatever its total income.	One anna and six pies in the rupee.

PART II.

Rates of Super tax.

In respect of the excess over fifty thousand rupees of total income:—	Rate.
(1) in the case of every company	One anna in the rupee.
(2) (a) in the case of every Hindu undivided family—	
(i) in respect of the first twenty-five thousand rupees of the excess	Nil.
(ii) for every rupee of the next twenty-five thousand rupees of such excess.	One anna in the rupee.

(b) in the case of every individual and every unregistered firm, for every rupee of the first fifty thousand rupees of such excess.	One anna in the rupee.
(c) in the case of every individual, every unregistered firm and every Hindu undivided family—	
(i) for every rupee of the second fifty thousand rupees of such excess	One and a half annas in the rupee
(ii) for every rupee of the next fifty thousand rupees of such excess	Two annas in the rupee.
(iii) for every rupee of the next fifty thousand rupees of such excess	Two and a half annas in the rupee.
(iv) for every rupee of the next fifty thousand rupees of such excess	Three annas in the rupee.
(v) for every rupee of the next fifty thousand rupees of such excess	Three and a half annas in the rupee
(vi) for every rupee of the next fifty thousand rupees of such excess	Four annas in the rupee.
(vii) for every rupee of the next fifty thousand rupees of such excess	Four and a half annas in the rupee.
(viii) for every rupee of the next fifty thousand rupees of such excess	Five annas in the rupee.
(ix) for every rupee of the next fifty thousand rupees of such excess	Five and a half annas in the rupee.
(x) for every rupee of the remainder of the excess	Six annas in the rupee.

READING,

*The 29th March, 1923.**Viceroy and Governor General.*

This Act has been made by me as Governor General under the provisions of section 67-B of the Government of India Act.

READING,

*The 29th March, 1923.**Viceroy and Governor General.*

WHEREAS I, Rufus Daniel, Earl of Reading, am of opinion that a state of emergency exists which justifies a direction by me that the Act to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary the duty leviable on certain articles under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, being an Act made by me under the provisions of section 67-B of the Government of India Act, shall come into operation forthwith.

NOW THEREFORE, in exercise of the power conferred by the proviso to sub-section (2) of that section, I do hereby direct accordingly.

READING,

The 29th March, 1923.

Viceroy and Governor General.

L. GRAHAM,

Offg. Secretary to the Government of India.

FINANCE DEPARTMENT.

NOTIFICATION

ACCOUNTS AND FINANCE.

ESTIMATES AND ACCOUNTS.

Delhi, the 29th March 1923.

No. 562-F.—The following statement is published for general information:—

A statement by His Excellency the Governor General of the reasons which moved him to pass an order under section 67-B of the Government of India Act for certification of the Indian Finance Bill as originally introduced in the Legislative Assembly, providing for an increase in the existing salt duty for one year, (*i.e.*) till the 31st March 1924, to a rate of R2-8 a maund.

E. M. COOK,

Secretary to the Government of India.

STATEMENT.

In the course of the debates on the Finance Bill I was deeply concerned to find that I and my Government were in disagreement with the majority of the Legislative Assembly in regard to the necessity of imposing an increase in the salt tax from R1-4 to R2-8 per maund in order to balance the budget and produce financial equilibrium. The Bill as introduced with this provision was not passed by the Legislative Assembly in the form proposed by my Government. It was recommended by me, in the original form proposed, to the Council of State where it was passed by a majority of 18 votes. It was returned to the Legislative Assembly in the form recommended to the Council of State and rejected by a majority of 11 votes. I have a high respect for the convictions of the Legislative Assembly, but after careful consideration I find I cannot subscribe to them; and I have decided to exercise the special powers with which I have been invested by His Majesty's Government under the provisions of section 67-B of the Government of India Act and to certify the Bill. I have arrived at this decision after much

anxious thought and deliberation and I desire to make clear my reasons for taking this action.

Ever since I came to India and learnt the financial conditions I have been deeply impressed by the imperative necessity of placing India's finances on a sound basis and have kept this object continually in view. The first budget after my arrival was that of 1922-23. I then learnt that there had been cumulative deficits in the four preceding years totalling 90 crores. Heavy increases of taxation had been imposed by my predecessor's Government in 1921-22 in order to balance the budget. Taxation had again to be enhanced by my Government in 1922-23 and an increase was also made in the postal and railway charges. It will be remembered that at that time my Government also proposed to double the salt duty. The Legislative Assembly rejected this proposal; I accepted their decision and did not certify the necessary legislation for the purpose. Without dwelling in detail on my reasons it will suffice to mention (a) that my Government were deeply impressed with the need urged by the Legislature for retrenchment in both military and civil expenditure as a necessary step to precede any further taxation of this nature; (b) that food prices were then high and wheat in particular exceptionally high. When we came to frame the budget of the present year we found that notwithstanding the admirable work accomplished by Lord Inchcape and his Committee, and after making very far-reaching reductions in expenditure, we had again to face a deficit not so large indeed as last year, but nevertheless amounting to nearly four crores. We have striven our utmost to restore equilibrium by scrutiny of estimates of revenue and expenditure but have failed. Speaking with all the responsibility falling on me and my Government I am convinced that the position cannot be ameliorated by any addition however tempting in appearance to revenue or by any deduction from expenditure.

My Government held that in view of the past accumulated deficits it was essential in the interests of India to balance its budget. It had every reason to look for the support of the public and the Legislature in this view. Ever since my arrival in this country the Legislature, all sections of the press and public men in deputations, addresses, and speeches have insistently urged on me the vital necessity of securing financial equilibrium. In addition representations had persistently been made that the Government of India should balance its budget in order that it might begin to remit the contributions of 9½ crores from the provincial Governments to the Government of India, a matter vitally important to the progress of those Departments which have, under the Reforms Scheme, been committed to the charge of Ministers.

The rehabilitation of India's credit by presenting a balanced budget was not a measure which could be delayed. The need for large capital funds for material development obliges the Indian Government to enter the money market for considerable sums both in England and India; it would be in the highest degree unfortunate if it had been obliged to present a deficit for the sixth year in succession, and when the circumstances no longer permitted a hope that the deficit was purely temporary or was one which would yield to a determined effort at retrenchment. Reductions have been made in military charges which seemed incredible a year ago. The Government of India have stated that in making these reductions we are taking military risks, but we feel that we are justified by the financial stringency. His Majesty's

Government have agreed in principle to the reductions. In the civil departments similar retrenchments of a far-reaching character have been accepted. If after making these efforts we still had to present a deficit, there was every possibility that the fact would react on our position as a borrower. Our hopes for a gradual reduction in our interest charges would be frustrated with results damaging not only to India's progress as a country, but to every industrial and trading interest in the land. The provinces have now their own commitments for capital expenditure on their material development. Their interests would suffer even more severely than those of the Central Government in proportion as their resources are more limited.

The most careful and anxious consideration was given to the possibility of finding an alternative to the salt tax as a means of raising the additional revenue necessary to attain equilibrium. No alternative presented itself to Government nor indeed, when the matter came to be discussed, to the Legislature. The reason is obvious. Those engaged in trade and industry have had laid upon them heavy increases in taxation during recent years. Postal and railway rates have been enhanced. The burden thus placed on commerce and industry will require time for adjustment, and further taxation in these directions would have failed to provide the sum required. I have myself given most careful consideration to the objections which appear to exist against the enhancement of the salt tax whether on economic grounds or those of sentiment. The tax is said to have historic unpopularity; but it existed before British rule. In the period from 1861-1877 it stood in Northern India at Rs. In 1878 the rate was Rs. 12. From 1879-1881 and again from 1888-1902 it stood at Rs. 8-0 and since 1916 it has been at Rs. 4-0. The objection is thus not to the tax itself but to its present enhancement. Every increase in the rate of a tax is unpopular; yet it must be remembered that it has been collected in the ordinary way at the enhanced rate throughout British India since the 1st of March of this year. The economic arguments against the tax appear to stand on shadowy foundations. Perhaps never in the recent history of India has there been a year in which such enhancement will press more lightly on the poor. Wages are still on a favourable basis; but prices of food-stuffs have markedly fallen and with the abundant promise of a rich harvest around us may be expected to decrease still further. Even a slight fall in the price of food-stuffs is of great importance to the poor family. The mill labourer is shown to spend approximately 56 per cent. of his income on food and of this amount salt represents only two-fifths of 1 per cent. The increase in salt tax must have an infinitesimal effect at a period such as this; prices of food grains fell by 20 per cent. between October 1921 and December 1922; between January 1922 and 1923 retail prices of wheat fell by 100 per cent. in important centres of Northern India.

These considerations were duly laid before the Legislative Assembly. That body had from the first admitted in principle the paramount necessity of balancing the budget. Many of the members had emphasised the need of regaining equilibrium as a necessary preliminary to fulfilling our obligations in regard to the gradual reduction of provincial contributions; and it is indeed obvious that no step in this direction can be taken so long as the finances of the Central Government are in deficit. The Assembly was unable to agree on the adoption of any alternative form of taxation which would secure the full amount required. Nevertheless, it rejected the proposal for an enhancement of the salt tax. It was in these circumstances that it became

my duty to certify the measure. It must be clearly understood that my action merely imposes an enhancement of the tax until March 31st, 1924, when the matter must again come before the Legislature. It will then have had a year's experience of the operation of the tax, and it will be in a position to determine whether, in view of the condition of the country and having regard to our obligations to the provinces, it will vote for its retention.

I hold strict views regarding the exercise of my special powers; their use can only be justified in the words of the Government of India Act, when it is essential for the interests of British India. This requirement has throughout been present to my mind. In the present case the interests of India only and no other interests are in question. A balanced budget is absolutely essential to her interests at the present time, and I believe that it is my duty to take the necessary action to secure this in the discharge of the responsibility placed upon me as Governor General by the Imperial Parliament.

It may be that the scheme of reforms introduced by the Government of India Act will be attacked on account of the action taken by me. This would be unfortunate and could only be due to misapprehension; for the constitution is embodied in the Act, and I do not believe that there is any substantial difference as regards the meaning of the important provisions under which I am acting. Unbalanced budgets appear to me to involve dangers to the future of India perhaps inherently greater than any constitutional or political issue, while their immediate effect is to stifle the development in the provision of all those beneficent activities, *e.g.*, Education, Public Health, Industry, which should be the first fruits of the reforms. I am convinced therefore that my action will prove of ultimate benefit in the development of the reforms and the advancement of India and for these I shall continue to labour in the discharge of the high responsibilities entrusted to me as Governor General.

READING,

The 29th March 1923.

Viceroy and Governor General.

No. 576-F.

GOVERNMENT OF INDIA.

FINANCE DEPARTMENT.

ACCOUNTS AND FINANCE.
Estimates and Accounts.

Delhi, the 29th March 1923.

RESOLUTION.

The statements relating to the Revised estimates for 1922-23 and the Budget estimates for 1923-24 which were presented to the Legislative Assembly and the Council of State on the 1st March 1923 have now been revised with reference to (1) the distribution among the heads of account concerned of the lump allowance made in the original statements for reductions recommended by the Retrenchment Committee, (2) the changes made by the Legislative Assembly when voting the demands for grants and (3) the restoration by the Governor General in Council of certain demands refused by the Assembly. Certain alterations have also been made in the Revised estimates in the light of more recent information. The revised statements are now published for general information.

E. M. COOK,

Secretary to the Government of India.

BUDGET

of the

GOVERNMENT OF INDIA,

MARCH 1923.

ACCOUNTS . . .

1921-22.

REVISED ESTIMATES

1922-23.

BUDGET ESTIMATES

1923-24.

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BUDGET FOR 1923-24.

I.--General Statement of the Revenue and Expenditure charged to

	For details vide Statement	Accounts, 1921-22	Budget Estimate, 1922-23.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
		Rs.	Rs.	Rs.	Rs.
Revenue--					
Principal Heads of Revenue--					
Customs	A	34,40,98,381	45,41,84,000	42,30,03,000	45,09,41,000
Taxes on Income	"	18,74,13,424	22,11,39,000	17,89,31,000	19,04,64,000
Salt	"	6,34,37,848	6,86,03,000	7,17,84,000	11,75,00,000
Opium	"	3,07,24,798	3,09,30,000	3,98,68,000	3,93,12,000
Other Heads	"	2,20,16,921	2,35,85,000	2,37,37,000	2,44,97,000
TOTAL PRINCIPAL HEADS.		64,76,91,372	79,84,41,000	73,73,23,000	82,27,14,000
Railways : Net Receipts	"	15,20,82,829	31,10,94,000	25,81,31,000	31,76,58,000
Irrigation : Net Receipts	"	5,94,141	7,22,000	10,26,000	10,83,000
Posts and Telegraphs : Net Receipts	"	56,52,778	1,75,28,000	90,58,000	2,08,32,000
Interest Receipts	"	1,11,00,700	84,31,000	1,04,11,000	2,50,96,000
Civil Administration	"	77,29,211	86,49,000	56,20,000	62,08,000
Currency, Mint and Exchange	"	4,37,42,093	3,22,31,000	3,53,10,000	2,69,26,000
Civil Works	"	11,33,782	10,92,000	11,25,000	10,69,000
Miscellaneous	"	(a) 7,18,56,875	66,11,000	67,62,000	48,34,000
Military Receipts	"	8,06,93,832	5,54,14,000	5,01,01,000	3,04,87,000
Contributions and Assignments to the Central Government by Provincial Governments	"	12,98,72,704	9,20,65,000	9,21,50,000	9,21,36,000
TOTAL REVENUE		1,15,21,50,317	1,33,22,78,000	1,20,70,17,000	1,34,90,43,000
DEFICIT		27,65,01,700	9,16,28,000	17,25,35,000	...
TOTAL		1,42,86,52,017	1,42,39,06,000	1,37,95,52,000	1,34,90,43,000

(a) Includes proceeds of freight tax which was replaced from 1922-23 by increased goods rates.

DELHI,
FINANCE DEPARTMENT,
March 29, 1923.

M. F. GAUNTLETT,
Auditor General.

BUDGET FOR 1923-24.

99

Revenue of the Central Government, in India and in England.

	For details, vide Statement	Accounts, 1921-22.	Budget Estimate, 1922-23.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
		Rs.	Rs.	Rs.	Rs.
Expenditure—					
Direct Demands on the Revenues	B	5,27,12,199	5,53,32,000	5,30,73,000	5,37,22,000
Railways: Interest and Miscellaneous Charges	"	24,29,82,572	25,98,53,000	26,23,91,000	27,91,32,000
Irrigation	"	14,48,454	11,19,000	12,25,000	14,20,000
Posts and Telegraphs	"	1,66,00,497	97,32,000	66,42,000	53,35,000
Debt Services	"	15,99,70,014	15,20,09,000	15,07,90,000	17,21,57,000
Civil Administration	"	9,40,80,047	9,74,06,000	10,01,05,000	9,78,29,000
Currency, Mint and Exchange.	"	1,07,48,311	10,81,72,000	1,59,28,000	1,13,11,000
Civil Works	"	1,54,20,200	1,61,49,000	1,50,01,000	1,76,63,000
Miscellaneous	"	5,58,91,383	4,05,91,000	5,30,32,000	5,15,39,000
Military Services	"	77,87,98,340	67,72,14,000	72,09,79,000	65,04,87,000
Miscellaneous adjustments between the Central and Provincial Governments	"		63,29,000	3,86,000	3,62,000
TOTAL EXPENDITURE CHARGED TO REVENUE		1,42,86,52,017	1,42,39,06,000	1,37,95,52,000	1,34,09,57,000
SURPLUS					81,86,000
TOTAL		1,42,86,52,017	1,42,39,06,000	1,37,95,52,000	1,34,90,43,000

(b) Includes adjustment for exchange on net expenditure in England which has been distributed among the individual heads of account in the Accounts for 1921-22, the Revised estimates for 1922-23 and the Budget estimates for 1923-24.

A. C. McWATTERS,
Controller of the Currency.

E. M. COOK,
Secretary to the Government of India.

II.—General Statement of the Receipts and Disbursements of the

	For details, vide Statement—	RECEIPTS.			
		Accounts, 1921-22.	Budget Estimate, 1922-23.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
		Rs.	Rs.	Rs.	Rs.
Surplus	C	...	...	...	80,86,000
Railway Capital not charged to Revenue—					
Capital contributed by Railway Companies and Indian States towards construction of State Railways	"	63,88,170	3,86,74,000	26,78,000	4,51,26,000
Debt, Deposits and Advances—					
Permanent Debt (net incurred)	"	42,26,70,108	41,21,93,000	66,45,36,000	33,15,56,000
Floating Debt (net incurred)	"	6,92,60,000	...	...	...
Unfunded Debt (net incurred).	"	4,62,46,893	3,07,15,000	3,14,11,000	5,01,85,000
Deposits and Advances (net)	"	18,71,20,018	24,76,67,000	18,64,85,000	11,42,69,000
Loans and Advances by Central Government (net Repayments)	"	...	9,74,000	18,99,000	6,67,000
Remittances (net)	"	3,24,36,065	1,41,53,000	1,64,000	...
Secretary of State's Bills drawn	"	...	...	2,57,00,000	...
Balances of Provincial Governments (net)	"	...	...	1,57,37,000	...
TOTAL DEBT, DEPOSITS AND ADVANCES		75,77,33,084	70,57,02,000	92,59,32,000	49,66,77,000
TOTAL RECEIPTS		76,41,21,254	74,43,76,000	92,86,10,000	54,98,89,000
Opening Balance—India		13,83,56,901	22,48,09,901	25,66,13,170	23,89,58,170
England		7,20,98,319	7,00,48,319	8,99,53,817	7,41,81,817
TOTAL		97,45,76,474	1,03,92,34,220	1,27,51,76,987	86,30,28,987

M. F. GAUNILETT,

Auditor General.

DELHI,

FINANCE DEPARTMENT,

March 29, 1923.

BUDGET FOR 1923-24.

101

Central Government, in India and in England.

	For details, vide Statement	DISBURSEMENTS.			
		Accounts, 1921-22.	Budget Estimate, 1922-23.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
		Rs.	Rs.	Rs.	Rs.
Deficit.	C	27,65,01,700	9,16,28,000	17,25,35,000	...
Railway, Irrigation, Posts and Telegraphs and other Capital not charged to Revenue—					
Construction of State Railways	"	22,96,38,935	30,00,00,000	20,16,05,000	38,63,95,000
Capital outlay on Indian Postal and Telegraph Department	"	81,61,617	1,45,00,000	1,10,36,000	94,30,000
Construction of Irrigation Works	"	1,18,180	2,69,000	2,00,000	22,000
Initial expenditure on new Capital at Delhi	"	1,35,27,418	2,00,00,000	1,91,50,000	1,97,00,000
Payments for discharge of Debentures (net)	"	7,85,276	3,60,49,000	60,00,000	4,51,26,000
TOTAL CAPITAL ACCOUNT DISBURSEMENTS	...	25,22,31,426	37,08,18,000	23,79,91,000	46,06,73,000
Debt, Deposits and Advances.					
Permanent Debt (net discharged)	"	...	...	...	...
Floating Debt (net discharged)	"	...	29,94,46,000	41,15,00,000	5,50,00,000
Deposits and Advances (net)	"	...	...	...	...
Loans and Advances by Central Government (net Advances)	"	1,47,235	...	...	...
Loans between Central and Provincial Governments (net Advances)	"	6,38,23,435	5,50,00,000	11,43,11,000	13,46,77,000
Remittances (net)	"	...	...	...	80,15,000
Secretary of State's Bills paid.	"	...	...	2,57,00,000	...
Balances of Provincial Governments (net)	"	3,53,00,691	4,35,44,000	...	1,20,12,000
TOTAL DEBT, DEPOSITS AND ADVANCES	...	9,92,76,361	39,79,90,000	55,15,11,000	20,97,04,000
TOTAL DISBURSEMENTS	...	62,80,09,487	86,04,36,000	96,20,37,000	67,03,77,000
Closing Balance—India	...	25,66,13,170	13,63,34,901	23,89,58,170	14,76,21,170
England	...	8,99,53,817	4,24,63,319	7,41,81,817	4,50,30,817
TOTAL	...	97,45,76,474	1,03,92,34,220	1,27,51,76,987	86,30,28,987

A. C. McWATTERS,
Controller of the Currency.

E. M. COOK,
Secretary to the Government of India.

A.—Statement of the Revenue of the

HEADS OF REVENUE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
Principal Heads of Revenue—	Es.	Rs.	Rs.	Rs.	
I.—Customs	34,40,98,381	...	...	34,40,98,381	1
II.—Taxes on Income	18,74,13,424	...	...	18,74,13,424	2
III.—Salt	6,34,37,848	...	...	6,34,37,848	3
IV.—Opium	3,07,24,798	...	...	3,07,24,798	4
V.—Land Revenue	33,18,286	...	...	33,18,286	5
VI.—Excise	53,80,399	...	...	53,80,399	6
VII.—Stamps—					
A.—Non-judicial	24,61,081	...	...	24,61,081	7 8
B.—Judicial					
VIII.—Forest	19,68,643	...	...	19,68,643	9
IX.—Registration	1,70,705	...	...	1,70,705	10
X.—Tributes from Indian States	87,17,807	...	...	87,17,807	11
TOTAL	64,76,91,372	...	...	64,76,91,372	12
Railways—					
XI.—State Railways—					
Gross Receipts	81,61,93,079	4,85,127	2,49,171	81,69,27,377	13
Deduct—Working Expenses	65,66,78,003	...	...	65,66,78,003	14
Surplus Profits paid to Companies	1,06,40,122	...	...	1,06,40,122	15
Net Receipts	14,88,74,954	4,85,127	2,49,171	14,96,09,252	16
XII.—Subsidised Companies	3,32,795	14,25,370	7,15,412	24,73,577	17
TOTAL	14,92,07,749	19,10,497	9,64,583	15,20,52,829	18
Irrigation, etc.—					
XIII.—Works for which Capital accounts are kept	5,92,895	...	...	5,92,895	19
XIV.—Works for which no Capital accounts are kept	1,246	...	...	1,246	20
TOTAL	5,94,141	...	...	5,94,141	21
Posts and Telegraphs—					
XV.—Gross Receipts	9,33,54,859	14,48,633	6,99,509	9,55,03,001	22
Deduct—Working Expenses	8,95,24,346	2,13,655	1,12,222	8,99,50,223	23
Net Receipts	38,30,513	12,34,978	5,87,287	56,52,778	24
Interest Receipts—					
XVI.—Interest	73,11,669	25,02,143	12,86,888	1,11,00,700	25
Carried over	80,86,35,444	56,47,618	28,38,758	81,71,21,820	

REVISED ESTIMATE, 1922-23.				
Item Number.	India.	* England.	Exchange.	TOTAL.
	Rs.	Rs.	Rs.	Rs.
1	42,30,03,000	...	...	42,30,03,000
2	17,89,31,000	...	...	17,89,31,000
3	7,17,84,000	...	...	7,17,84,000
4	3,98,68,000	...	...	3,98,68,000
5	43,81,000	...	...	43,81,000
6	51,67,000	...	...	51,67,000
7	9,15,000	...	...	9,15,000
8	15,67,000	...	...	15,67,000
9	26,16,000	...	...	26,16,000
10	1,51,000	...	...	1,51,000
11	89,40,000	...	...	89,40,000
12	73,73,23,000	...	...	73,73,23,000
13	92,00,00,000	4,84,000	2,42,000	92,07,26,000
14	65,83,85,000	...	...	65,83,85,000
15	68,07,000	...	...	68,07,000
16	25,48,08,000	4,84,000	2,42,000	25,55,34,000
17	7,73,000	12,16,000	6,08,000	25,97,000
18	25,55,81,000	17,00,000	8,50,000	25,81,31,000
19	10,70,000	-33,000	-17,000	(a) 10,20,000
20	6,000	...	...	6,000
21	10,76,000	-33,000	-17,000	10,26,000
22	10,01,69,000	14,77,000	7,39,000	10,23,85,000
23	9,27,33,000	3,96,000	1,98,000	9,33,27,000
24	74,36,000	10,81,000	5,41,000	90,58,000
25	80,00,000	16,07,000	8,04,000	1,04,11,000
	1,00,94,16,000	43,55,000	21,78,000	1,01,59,49,000

a) Represents net receipts after deduction of Rs. 12,14,000 on account of working expenses.

Increase (+) Decrease (-) as compared with Budget Estimate: 1922-23.	BUDGET ESTIMATE, 1923-24.			Item Number.
	India.	England.	Exchange.	
Rs.	Rs.	Rs.	Rs.	
-3,11,81,000	45,09,41,000	...	...	1
-4,22,08,000	19,04,64,000	...	...	2
+31,81,000	11,75,00,000	...	...	3
+89,38,000	3,93,12,000	...	...	4
-12,000	43,94,000	...	...	5
-4,55,000	52,58,000	...	...	6
-93,000	9,66,000	...	...	7
+1,46,000	16,15,000	...	...	8
+4,48,000	34,57,000	...	...	9
-17,000	1,62,000	...	...	10
+1,35,000	86,45,000	...	...	11
-6,11,18,000	82,27,14,000	...	...	12
-7,50,00,000	95,50,00,000	4,83,000	2,41,000	13
+2,21,89,000	63,01,50,000	...	...	14
-8,07,000	98,77,000	...	...	15
-5,36,18,000	31,49,73,000	4,83,000	2,41,000	16
+6,55,000	4,76,000	9,90,000	4,95,000	17
-5,29,63,000	31,54,49,000	14,73,000	7,36,000	18
+3,02,000	11,46,000	-45,000	-22,000	19
+2,000	4,000	...	...	20
+3,04,000	11,50,000	-45,000	-22,000	21
-91,69,000	10,52,03,000	13,20,000	6,60,000	22
+6,99,000	8,58,50,000	3,34,000	1,67,000	23
-84,70,000	1,93,53,000	9,86,000	4,92,000	24
+19,80,000	81,74,000	1,12,81,000	56,41,000	25
-12,02,67,000	1,16,68,40,000	1,36,95,000	68,48,000	

* Sterling converted into Rupees at £1 = Rs. 10.

Central Government, in India and in England.

Item Number.	BUDGET ESTIMATE, 1923-24.		Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	HEADS OF REVENUE.
	TOTAL.				
	Rs.	Rs.	Rs.		
1	45,09,41,000	-32,43,000	+2,79,38,000		Principal Heads of Revenue—
2	19,04,64,000	-3,06,75,000	+1,15,33,000		I.—Customs.
3	11,75,00,000	+4,88,97,000	+4,57,16,000		II.—Taxes on Income.
4	3,93,12,000	+83,82,000	-5,56,000		III.—Salt.
5	43,94,000	+1,000	+13,000		IV.—Opium.
6	52,53,000	-3,64,000	+91,000		V.—Land Revenue.
7	9,66,000	-42,000	+51,000		VI.—Excise.
8	16,15,000	+1,94,000	+48,600		VII.—Stamps— A.—Non-judicial. B.—Judicial.
9	34,57,000	+12,89,000	+8,41,000		VIII.—Forest.
10	1,62,000	-6,000	+11,000		IX.—Registration.
11	66,45,000	-1,60,000	-2,95,000		X.—Tributes from Indian States.
12	82,27,14,000	+2,42,73,000	+8,53,91,000		TOTAL.
13	95,57,24,000 (a)	-4,00,02,000	+3,49,98,000		Railways—
14	63,01,50,000 (b)	+5,04,24,000	+2,82,35,000		XI.—State Railways— Gross Receipts. Deduct—Working Expenses.
15	98,77,000	-38,77,000	-30,70,000		Surplus Profits paid to Companies.
16	31,56,97,000	+65,45,000	+6,01,63,000		Net Receipts.
17	19,61,000	+19,000	-6,36,000		XII.—Subsidised Companies.
18	31,76,58,000	+65,64,000	+5,95,27,000		TOTAL.
19	10,79,000 (c)	+3,61,000	+59,000		Irrigation, etc.—
20	4,000	...	-2,000		XIII.—Works for which Capital accounts are kept.
21	10,83,000	+3,61,000	+57,000		XIV.—Works for which no Capital accounts are kept.
22	10,71,83,000 (d)	-43,71,000	+47,98,000		Posts and Telegraphs—
23	8,63,51,000	+76,75,000	+69,76,000		XV.—Gross Receipts. Deduct—Working Expenses.
24	2,08,32,000	+33,04,000	+1,17,74,000		Net Receipts.
25	2,50,96,000	+1,66,65,000	+1,46,85,000		Interest Receipts—
	1,18,73,83,000	+5,11,67,000	+17,14,34,000		XVI.—Interest. Carried over.

(a) Of this amount, Rs. 34,07,000 is non-voted and the balance of Rs. 62,67,43,000 is voted.
 (b) The whole of this amount is voted.
 (c) Represents net receipts after deduction of Rs. 11,14,000 on account of working expenses of which Rs. 1,49,000 is non-voted and the balance of Rs. 9,65,000 is voted.
 (d) Of this amount, Rs. 18,36,000 is non-voted and the balance of Rs. 8,45,15,000 is voted.

A.—Statement of the Revenue of the Central

HEADS OF REVENUE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward	80,88,35,444	56,47,613	23,83,758	81,71,21,820	
Civil Administration—					
XVII.—Administration of Justice	3,33,367	...	...	3,33,367	1
XVIII.—Jails and Convict Settlements	8,10,099	...	...	8,10,099	2
XIX.—Police	15,16,019	...	...	15,16,019	3
XX.—Ports and Pilotage	21,94,410	...	...	21,94,410	4
XXI.—Education	1,22,888	...	...	1,22,888	5
XXII.—Medical	55,495	1,361	700	57,556	6
XXIII.—Public Health	2,49,205	...	...	2,49,205	7
XXIV.—Agriculture	5,10,958	...	...	5,10,958	8
XXV.—Industries	...	...	...	...	9
XXVI.—Miscellaneous Departments	19,34,709	...	...	19,34,709	10
TOTAL	77,27,150	1,361	700	77,29,211	11
Currency, Mint and Exchange—					
XXVII.—Currency	3,60,90,284	40,69,643	20,93,075	4,22,53,002	12
XXVIII.—Mint	14,89,091	...	...	14,89,091	13
TOTAL	3,75,79,375	40,69,643	20,93,075	4,37,42,093	14
Civil Works—					
XXX.—Civil Works	11,33,782	...	...	11,33,782	15
Miscellaneous—					
XXXIII.—Receipts in aid of Superannuation	21,85,545	3,88,513	1,99,820	27,73,878	16
XXXIV.—Stationery and Printing	8,58,925	12,024	6,184	8,77,133	17
XXXV.—Miscellaneous	5,87,31,804	62,56,334	32,17,721	6,82,05,859	18
TOTAL	6,17,76,274	66,56,876	34,23,725	7,18,56,875	19
Carried over	91,68,52,025	1,63,75,498	83,56,258	94,15,83,781	

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.				
Item Number.	India.	England.	Exchange.	TOTAL.
	Rs.	Rs.	Rs.	Rs.
	1,00,94,16,000	43,55,000	21,78,000	1,01,59,49,000
1	3,59,000	...	...	3,59,000
2	8,24,000	...	...	8,24,000
3	1,63,000	...	...	1,63,000
4	21,78,000	...	...	21,78,000
5	1,27,000	...	...	1,27,000
6	51,000	1,000	...	52,000
7	1,25,000	...	...	1,25,000
8	4,79,000	...	...	4,79,000
9	2,000	...	...	2,000
10	13,11,000	...	...	13,11,000
11	56,19,000	1,000	...	56,20,000
12	3,14,27,000	14,57,000	7,29,000	3,36,13,000
13	16,96,000	1,000	...	16,97,000
14	3,31,23,000	14,58,000	7,29,000	3,53,10,000
15	11,25,000	...	...	11,25,000
16	19,62,000	3,68,000	1,84,000	25,14,000
17	15,25,000	6,000	3,000	15,34,000
18	8,01,000	12,75,000	6,38,000	27,14,000
19	42,88,000	16,49,000	8,25,000	67,62,000
	1,05,35,71,000	74,63,000	37,32,000	1,06,47,66,000

Increase (+) Decrease (-) as compared with Budget Estimate, 1922-23.	BUDGET ESTIMATE, 1923-24.			Item Number.
	India.	England.	Exchange.	
Rs.	Rs.	Rs.	Rs.	
-12,02,67,000	1,16,68,40,000	1,36,95,000	68,48,000	
+10,000	3,84,000	...	...	1
-2,37,000	9,09,000	...	...	2
-12,00,000	1,64,000	...	...	3
-2,43,000	24,51,000	...	...	4
+10,000	1,33,000	...	...	5
+2,000	1,07,000	...	...	6
-1,82,000	1,22,000	...	...	7
-2,01,000	5,01,000	...	...	8
-1,98,000	...	...	...	9
-7,40,000	14,37,000	...	...	10
-30,29,000	62,08,000	...	...	11
+33,00,000	2,59,40,000	3,30,000	1,65,000	12
-2,21,000	4,90,000	1,000	...	13
+30,79,000	2,64,30,000	3,31,000	1,65,000	14
+33,000	10,69,000	...	...	15
+2,13,000	19,95,000	3,51,000	1,76,000	16
-2,07,000	11,67,000	7,000	3,000	17
+1,45,000	3,64,000	5,14,000	2,57,000	18
+1,51,000	35,26,000	8,72,000	4,36,000	19
-12,00,33,000	1,23,40,73,000	1,48,98,000	74,49,000	

*Sterling converted into Rupees at £1 = Rs. 10.

Government, in India and in England—*contd.*

Item Number.	BUDGET ESTIMATE, 1923-24.			HEADS OF REVENUE.
	TOTAL.	Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	
	Rs.	Rs.	Rs.	
	1,18,73,83,000	+5,11,67,000	+17,14,34,000	Brought forward.
1	3,84,000	+35,000	+25,000	Civil Administration—
2	9,09,000	-2,02,000	+85,000	XVII.—Administration of Justice.
3	1,64,000	-11,99,000	+1,000	XVIII.—Jails and Convict Settlements.
4	24,51,000	+30,000	+2,73,000	XIX.—Police.
5	1,33,000	+16,000	+6,000	XX.—Ports and Pilotage.
6	1,07,000	+57,000	+55,000	XXI.—Education.
7	1,22,000	-1,85,000	-3,000	XXII.—Medical.
8	5,01,000	-1,79,000	+22,000	XXIII.—Public Health.
9		-2,00,000	-2,000	XXIV.—Agriculture.
10	14,37,000	-6,14,000	+1,26,000	XXV.—Industries.
11	62,08,000	-24,41,000	+5,88,000	XXVI.—Miscellaneous Departments.
				TOTAL.
12	2,64,35,000	-38,78,000	-71,78,000	Currency, Mint and Exchange—
13	4,91,000	-14,27,000	-12,06,000	XXVII.—Currency.
14	2,69,26,000	-53,05,000	-83,84,000	XXVIII.—Mint.
				TOTAL.
15	10,69,000	-23,000	-56,000	Civil Works—
				XXX.—Civil Works.
16	25,22,000	+2,21,000	+8,000	Miscellaneous—
17	11,77,000	-5,64,000	-3,57,000	XXXIII.—Receipts in aid of Superannuation.
18	11,35,000	-14,34,000	-15,79,000	XXXIV.—Stationery and Printing.
19	48,34,000	-17,77,000	-19,28,000	XXXV.—Miscellaneous.
				TOTAL.
	1,23,64,20,000	+4,16,21,000	+16,16,54,000	Carried over.

BUDGET FOR 1923-24.

A.—Statement of the Revenue of the Central

HEADS OF REVENUE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward	91,68,52,025	1,63,75,498	83,56,258	94,15,83,781	
Military Receipts—					
XXXVI.—Army—					
Effective	3,62,43,164	1,04,37,770	} 1,19,50,230	7,24,22,501	} 20
Non-effective	9,93,678	1,27,97,609						21
	3,72,36,842	2,32,35,379	1,19,50,230	7,24,22,501	22
XXXVII.—Marine	53,17,334	5,33,787	2,74,534	61,25,655	23
XXXVIII.—Military Works	21,45,676	...	...	21,45,676	24
TOTAL	4,46,99,852	2,37,69,166	1,22,24,814	8,06,93,832	25
Contributions and Assignments to the Central Government by Provincial Governments—					
XXXIX.—Contributions and Assignments to the Central Government by Provincial Governments	12,97,80,933	...	...	12,97,80,933	26
XL.—Miscellaneous adjustments between the Central and Provincial Governments	91,771	...	...	91,771	27
TOTAL	12,98,72,704	...	...	12,98,72,704	28
TOTAL REVENUE	1,09,14,24,551	4,01,44,664	2,05,81,072	1,15,21,50,317	29

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.

Item Number.	India.	England.	Exchange.	TOTAL.
	Ra.	Ra.	Ra.	Ra.
	1,05,35,71,000	74,63,000	37,32,000	1,06,47,66,000
20	2,90,33,000	69,50,000	34,75,000	3,94,58,000
21	9,01,000	15,45,000	7,72,000	32,18,000
22	2,99,34,000	84,95,000	42,47,000	4,26,76,000
23	35,65,000	--	--	35,65,000
24	38,40,000	--	--	38,40,000
25	3,73,59,000	84,95,000	42,47,000	5,01,01,000
26	9,20,00,000	--	--	9,20,00,000
27	1,50,000	--	--	1,50,000
28	9,21,50,000	--	--	9,21,50,000
29	1,18,30,80,000	1,50,58,000	79,79,000	1,20,70,17,000

BUDGET ESTIMATE, 1923-24				
Increase (+) Decrease (-) as compared with Budget Estimate, 1922-23.	India.	England.	Exchange.	Item Number.
Rs.	Rs.	Rs.	Rs.	
-12,00,33,000	1,20,40,73,000	1,48,98,000	74,49,000	
-99,58,000	1,97,64,000	27,83,000	13,91,000	20
+7,73,000	9,98,000	11,95,000	5,98,000	21
-91,85,000	2,07,62,000	39,78,000	19,89,000	22
+15,62,000	21,29,000	...	...	23
+23,10,000	16,29,000	...	...	24
-53,13,000	2,45,20,000	39,78,000	19,89,000	25
	9,20,00,000	...	...	26
+85,000	1,36,000	...	...	27
+85,000	9,21,36,000	...	...	28
-12,52,61,000	1,32,07,29,000	1,88,76,000	94,38,000	29

*Sterling converted into Rupees at £1 = Rs. 10.

Government, in India and in England—concl'd.

Item Number.	BUDGET ESTIMATE, 1923-24.	Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	HEADS OF REVENUE.
	TOTAL.			
	Rs.	Rs.	Rs.	
	1,22,64,20,000	+ 4,16,21,000	+ 16,16,54,000	Brought forward.
				Military Receipts—
				XXXVI.—Army—
20	2,39,38,000	-2,54,78,000	-1,55,20,000	Effective—
21	27,91,000	+ 3,46,000	-4,27,000	Non-effective.
22	2,67,29,000	-2,51,32,000	-1,59,47,000	
23	21,29,000	+ 1,06,000	-14,56,000	XXXVII.—Marine.
24	16,29,000	+ 99,000	-22,11,000	XXXVIII.—Military Works.
25	3,04,87,000	-2,49,27,000	-1,96,14,000	TOTAL
				Contributions and Assignments to the Central Government by Provincial Governments—
26	9,20,00,000	...	...	XXXIX.—Contributions and Assignments to the Central Government by Provincial Governments.
27	1,36,000	+ 71,000	-14,000	XL.—Miscellaneous adjustments between the Central and Provincial Governments.
28	9,21,36,000	+ 71,000	-14,000	TOTAL
29	1,34,90,43,000	+ 1,67,65,000	+ 14,20,26,000	TOTAL REVENUE.

B.—Statement of the Expenditure charged to the Revenues

HEADS OF EXPENDITURE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Direct Demands on the Revenues—					
1.—Customs	64,49,533	91,196	48,903	65,87,632	1
2.—Taxes on Income	22,26,823	15,947	8,202	22,50,972	2
3.—Salt	1,55,36,568	74,296	38,212	1,56,49,096	3
4.—Opium	1,79,25,207	52,605	27,055	1,80,04,867	4
5.—Land Revenue	14,48,007	12,887	6,623	14,67,522	5
6.—Excise	2,53,939	1,701	875	2,56,515	6
7.—Stamps—					
A.—Non-judicial					
B.—Judicial	36,57,439	59,859	30,786	37,48,084	7
8.—Forests	38,58,536	5,56,714	2,86,326	47,01,626	8
9.—Registration	45,885	...	...	45,885	9
TOTAL	5,14,02,007	8,65,205	4,44,987	5,27,12,199	11
Railway Revenue Account—					
10.—State Railways—					
Interest on Debt	9,22,00,832	4,24,61,280	2,16,85,936	15,63,48,048	12
Interest on Capital contributed by Companies	3,49,068	2,17,07,853	1,14,60,434	3,35,17,355	13
Annuities in purchase of Railways Sinking Funds	...	3,35,72,931	1,72,10,797	5,07,83,728	14
11.—Subsidised Companies	7,19,922	28,74,409	14,61,021	43,35,430	15
12.—Miscellaneous Railway Expenditure	-52,46,439	16,81,907	8,42,621	-27,21,911	16
TOTAL	8,80,23,363	10,22,98,380	5,26,60,809	24,29,82,572	18
Irrigation, etc., Revenue Account—					
14.—Works for which Capital accounts are kept—					
Interest on Debt	12,18,481	...	...	12,18,481	19
15.—Other Revenue Expenditure	1,18,381	24,718	12,717	1,55,816	20
TOTAL	13,36,862	24,718	12,717	13,74,297	21
Carried over	14,07,62,252	10,31,88,303	5,31,18,513	29,70,69,068	

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.					
Item Number.	India.	England.	Exchange.	TOTAL.	Increase (+) Decrease (-) as compared with Budget, 1922-23.
	Rs.	Rs.	Rs.	Rs.	Rs.
1	69,54,000	97,000	48,000	70,99,000	+ 2,84,000
2	45,17,000	47,000	24,000	45,88,000	- 80,000
3	1,59,77,000	65,000	32,000	1,60,74,000	- 12,55,000
4	1,87,91,000	51,000	26,000	1,88,68,000	+ 2,47,000
5	13,31,000	81,000	15,000	13,77,000	- 1,77,000
6	2,71,000	21,000	11,000	3,03,000	+ 19,000
7	-28,81,000	20,00,000	10,00,000	1,19,000	- 7,57,000
8	1,44,000	...	...	1,44,000	- 1,66,000
9	35,57,000	6,00,000	3,00,000	44,57,000	- 3,70,000
10	44,000	...	...	44,000	- 4,000
11	4,87,05,000	29,12,000	14,56,000	5,30,73,000	- 22,59,000
12	10,58,98,000	4,25,23,000	2,12,62,000	16,96,83,000	+ 27,09,000
13	4,05,000	2,18,66,000	1,09,33,000	3,32,04,000	- 4,44,000
14	...	3,35,75,000	1,67,87,000	5,03,62,000	...
15	...	30,74,000	15,37,000	46,11,000	+ 29,000
16	10,50,000	...	...	10,80,000	- 9,03,000
17	10,10,000	16,27,000	8,14,000	34,51,000	+ 11,47,000
18	10,83,93,000	10,26,65,000	5,13,33,000	26,23,91,000	+ 25,38,000
19	10,76,000	...	...	10,76,000	+ 1,25,000
20	1,14,000	...	...	1,14,000	- 19,000
21	11,90,000	...	...	11,90,000	+ 1,06,000
	15,82,88,000	10,55,77,000	5,27,89,000	31,66,54,000	+ 3,85,000

BUDGET ESTIMATE, 1923-24.

India.	England.	Exchange.	TOTAL.	Item Number.
Rs.	Rs.	Rs.	Rs.	
71,15,000	90,000	45,000	72,50,000	1
62,87,000	61,000	31,000	63,79,000	2
1,53,66,000	56,000	28,000	1,54,50,000	3
1,87,42,000	59,000	30,000	1,88,31,000	4
11,35,000	21,000	10,000	11,66,000	5
2,50,000	14,000	7,000	2,71,000	6
-43,70,000	27,00,000	13,50,000	-3,20,000	7
43,000	...	...	43,000	8
39,46,000	4,43,000	2,21,000	46,10,000	9
42,000	...	...	42,000	10
4,85,56,000	34,44,000	17,22,000	5,37,22,000	11
12,16,05,000	4,41,23,000	2,21,62,000	18,77,90,000	12
3,69,000	2,12,41,000	1,06,20,000	3,22,30,000	13
...	3,35,75,000	1,67,87,000	5,03,62,000	14
...	32,73,000	16,37,000	49,10,000	15
25,90,000	...	...	25,90,000	16
-11,26,000	15,84,000	7,92,000	12,50,000	17
12,34,38,000	10,37,96,000	5,18,98,000	27,91,32,000	18
10,88,000	...	...	10,88,000	19
1,16,000	...	...	1,16,000	20
12,04,000	...	...	12,04,000	21
17,31,98,000	10,72,40,000	5,36,20,000	33,46,58,000	

* Sterling converted into Rupees at £1=Rs. 10.

BUDGET FOR 1923-24.

of the Central Government, in India and in England.

BUDGET ESTIMATE, 1923-24.					
Item Number.	Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	DISTRIBUTION OF TOTAL BETWEEN		HEADS OF EXPENDITURE.
			Voted	Non-voted.	
	Rs.	Rs.	Rs.	Rs.	
					Direct Demands on the Revenues—
1	+4,35,000	+1,51,000	62,53,000	9,97,000	1.—Customs.
2	+17,11,000	+17,91,000	60,07,000	3,72,000	2.—Taxes on Income.
3	-18,79,000	-6,24,000	1,14,13,000	40,37,000	3.—Salt.
4	+2,10,000	-37,000	1,6,76,000	1,55,000	4.—Opium.
5	-3,88,000	-2,11,000	10,59,000	1,07,000	5.—Land Revenue.
6	-13,000	-32,000	1,49,000	1,22,000	6.—Excise.
7	-11,96,000	-4,99,000			7.—Stamps—
8	-2,67,000	-1,01,000	-2,98,000	21,000	A.—Non-judicial.
9	-2,17,000	+1,53,000	40,17,000	5,93,000	B.—Judicial.
10	-6,000	-2,000	38,000	4,000	8.—Forests.
					9.—Registration.
11	-16,19,000	+6,49,000	4,73,14,000	64,08,000	TOTAL
					Railway Revenue Account—
12	+2,08,16,000	+1,81,07,000	...	13,77,90,000	10.—State Railways—
13	-14,18,000	-9,74,000	...	3,22,30,000	Interest on Debt.
14	...	...	...	5,03,62,000	Interest on Capital
15	+3,23,000	+2,99,000	...	49,10,000	contributed by
16	+6,07,000	+15,10,000	25,90,000	...	Companies.
17	-10,54,000	-22,01,000	5,69,000	6,81,000	Annuities in purchase
					of Railways.
					Sinking Funds.
					11.—Subsidised Companies.
					12.—Miscellaneous Railway
					Expenditure.
18	+1,92,79,000	+1,67,41,000	31,59,000	27,59,73,000	TOTAL
					Irrigation, etc., Revenue
					Accounts—
19	+1,37,000	+12,000	...	10,88,000	14.—Works for which
20	-17,000	+2,000	1,16,000	...	Capital accounts are
					kept—
					Interest on Debt.
21	+1,20,000	+14,000	1,16,000	10,88,000	15.—Other Revenue Expen-
					diture.
					TOTAL
	+1,77,89,000	+1,74,04,000	5,05,89,000	28,34,69,000	Carried over

B.—Statement of the Expenditure charged to the Revenues

HEADS OF EXPENDITURE.	ACCOUNTS, 1921-23.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward	14,07,62,252	10,31,88,303	5,31,18,513	29,70,69,068	
Irrigation, etc., Capital Account (charged to Revenue)—					
16.—Construction of Irrigation, etc., Works—Financed from Ordinary Revenues	74,157	...	...	74,157	22
Posts and Telegraphs Revenue Account—					
17.—Posts and Telegraphs—Interest on Debt	56,81,015	...	...	56,81,015	23
Miscellaneous Expenditure	...	...	...	...	24
TOTAL	56,81,015	...	...	56,81,015	25
Posts and Telegraphs Capital Account (charged to Revenue)—					
18.—Capital outlay on Posts and Telegraphs—Indo-European Telegraph Department	-42,92,577	1,00,72,358	51,39,701	1,09,19,482	26
Debt Services—					
19.—Interest on Ordinary Debt	19,05,17,484	7,23,92,711	3,70,80,095	29,99,90,290	27
Deduct—Amount chargeable to—					
Railways	9,22,00,833	4,24,61,230	2,16,85,936	15,63,48,048	28
Irrigation	12,18,481	...	...	12,18,481	29
Posts and Telegraphs	56,81,015	...	...	56,81,015	30
Provincial Governments	2,58,41,800	...	...	2,58,41,800	31
Remainder chargeable to Ordinary Debt	6,55,75,356	2,99,31,431	1,53,94,159	11,09,00,946	32
20.—Interest on other Obligations	2,60,97,497	...	...	2,60,97,497	33
21.—Sinking Funds	1,54,00,000	50,00,000	25,71,571	2,29,71,571	34
TOTAL	10,70,72,853	3,49,31,431	1,79,65,730	15,99,70,014	35
Carried over	24,92,97,700	14,81,92,092	7,62,23,944	47,37,13,736	36

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.					
Item Number.	India.	England.	Exchange.	TOTAL.	Increase (+) Decrease (-) as compared with Budget, 1922-23.
	Rs.	Rs.	Rs.	Rs.	Rs.
	15,82,88,000	10,55,77,000	5,27,89,000	31,66,54,000	+ 3,85,000
22	35,000	...	...	35,000	...
23	62,05,000	...	...	62,05,000	-3,95,000
24	-54,13,000	41,00,000	20,50,000	(a)7,37,000	-24,24,000
25	7,92,000	41,00,000	20,50,000	69,42,000	-23,19,000
26	-5,02,000	1,35,000	67,000	-3,00,000	-2,71,000
27	17,44,00,000	8,66,11,000	4,33,06,000	30,43,17,000	+ 2,18,86,000
28	10,58,98,000	4,25,23,000	2,12,62,000	16,96,83,000	-2,40,22,000
29	10,76,000	...	...	10,76,000	-1,25,000
30	62,05,000	...	...	62,05,000	+ 3,95,000
31	3,10,54,000	...	...	3,10,54,000	-10,81,000
32	3,01,67,000	4,40,88,000	2,20,44,000	9,62,99,000	-29,47,000
33	3,15,01,000	60,000	30,000	3,15,91,000	-7,72,000
34	1,54,00,000	50,00,000	25,00,000	2,29,00,000	+25,00,000
35	7,70,68,000	4,91,48,000	2,45,74,000	15,07,90,000	-12,19,000
36	23,56,81,000	15,89,60,000	7,94,80,000	47,41,21,000	-39,24,000

(a) The corresponding actuals for 1921-22, are included under
"18—Capital Outlay on Posts and Telegraphs."

BUDGET ESTIMATE, 1923-24.				Item Number.
India.	England.	Exchange.	TOTAL.	
Rs.	Rs.	Rs.	Rs.	
17,31,98,000	10,72,40,000	5,36,20,000	33,40,58,000	
2,15,000	1,000	...	2,16,000	22
68,28,000	...	...	68,28,000	23
-49,24,000	25,00,000	12,50,000	(a)-11,74,000	24
19,04,000	25,00,000	12,50,000	56,54,000	25
-6,56,000	2,25,000	1,12,000	-3,19,000	26
20,29,30,000	10,04,95,000	5,02,48,000	35,36,73,000	27
12,16,05,000	4,41,23,000	2,20,62,000	18,77,90,000	28
10,88,000	...	...	10,88,000	29
68,28,000	...	...	68,28,000	30
4,00,15,000	...	...	4,00,15,000	31
3,33,94,000	5,63,72,000	2,81,86,000	11,79,52,000	32
3,21,07,000	36,000	18,000	3,21,61,000	33
1,54,00,000	44,29,000	22,15,000	2,20,44,000	34
8,09,01,000	6,08,37,000	3,04,19,000	17,21,57,000	35
25,55,62,000	17,08,03,000	8,54,01,000	51,17,66,000	36

* Sterling converted into Rupees at £1 = Rs. 10.

(e) The corresponding actuals for 1921-22 are included under "18—Capital Outlay on Posts and Telegraphs."

BUDGET FOR 1923-24.

of the Central Government, in India and in England—*contd.*

Item Number.	BUDGET ESTIMATE, 1923-24.				HEADS OF EXPENDITURE.
	Increase (+) Decrease (-) as compared with Budget, 1922-23.	Increase (+) Decrease (-) as compared with Revised, 1922-23.	DISTRIBUTION OF TOTAL BETWEEN		
			Voted.	Non-voted.	
	Rs.	Rs.	Rs.	Rs.	
	+1,77,89,000	+1,74,04,000	5,05,89,000	28,34,69,000	Brought forward.
22	+1,81,000	+1,81,000	2,16,000	...	Irrigation, etc., Capital Account—(charged to Revenue)— 16.—Construction of Irrigation, etc., Works—Financed from Ordinary Revenue.
23	+2,28,000	+6,23,000	...	68,28,000	Posts and Telegraphs Revenue Account— 17.—Posts and Telegraphs—Interest on Debt.
24	-43,35,000	-19,11,000	-11,74,000	...	Miscellaneous Expenditure.
25	-41,07,000	-12,88,000	-11,74,000	68,28,000	TOTAL
26	-2,90,000	-19,000	-3,19,000	...	Posts and Telegraphs Capital Account (charged to Revenue)— 18.—Capital outlay on Posts and Telegraphs—Indo-European Telegraph Department.
27	+7,12,42,000	+4,93,56,000	...	...	Debt Services— 19.—Interest on Ordinary Debt.
28	-4,21,29,000	-1,81,07,000	...	...	Deduct—Amount chargeable to—
29	-1,37,000	-12,000	...	...	Railways.
30	-2,28,000	-6,23,000	...	...	Irrigation.
31	-1,00,42,000	-89,61,000	...	...	Posts and Telegraphs. Provincial Governments.
32	+1,87,06,000	+2,16,53,000	22,000	11,79,30,000	Remainder chargeable to Ordinary Debt.
33	-2,02,000	+5,70,000	3,21,07,000	54,000	20.—Interest on other Obligations.
34	+16,44,000	-8,56,000	...	2,20,44,000	21.—Sinking Funds.
35	+2,01,48,000	+2,13,67,000	3,21,29,000	14,00,28,000	TOTAL
36	+3,37,21,000	+3,76,45,000	8,14,41,000	43,03,25,000	Carried over

B.—Statement of the Expenditure charged to the Revenues

HEADS OF EXPENDITURE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward	24,92,97,700	14,81,92,092	7,62,23,944	47,37,13,736	
Civil Administration—					
1. 22.—General Administration—					
A.—Heads of Provinces (including Governor General) and Executive Councils					1
B.—Legislative Bodies					2
C.—Secretariat and headquarters, establishments	1,28,48,917	...	..	1,28,48,917	3
D.—Commissioners					4
E.—District Administrations					5
F.—Home Administration, etc.		42,33,257	21,77,224	64,10,481	6
23.—Audit	66,33,288	2,72,844	1,40,327	70,46,459	7
24.—Administration of Justice	9,81,071	34,743	17,869	10,33,683	8
25.—Jails and Convict Settlements	44,97,569	11,959	6,151	45,15,979	9
26.—Police	86,14,446	93,133	47,902	87,55,486	10
27.—Ports and Pilotage	21,64,743	1,55,537	79,995	24,00,275	11
28.—Ecclesiastical	26,50,022	2,64,440	1,36,005	30,50,467	12
29.—Political	2,13,20,046	8,20,122	4,21,801	2,25,61,969	13
30.—Scientific Departments	1,05,93,741	3,91,250	2,01,226	1,11,86,217	14
31.—Education	30,33,986	72,312	37,191	31,43,489	15
32.—Medical	27,48,514	2,03,411	1,07,189	30,64,414	16
33.—Public Health	15,82,030	33,533	19,846	16,40,464	17
34.—Agriculture	19,37,223	90,665	46,322	20,73,615	18
35.—Industries	24,137	63,545	35,254	1,27,936	19
36.—Aviation	87,573	299	154	88,025	20
37.—Miscellaneous Departments	38,73,043	1,71,119	88,009	41,32,171	21
TOTAL	8,35,90,953	69,23,629	35,62,465	9,40,80,047	22
Currency, Mint and Exchange—					
38.—Currency	27,84,437	41,54,075	21,36,500	90,75,012	23
39.—Mint	15,94,405	52,099	26,795	16,73,299	24
40.—Exchange					25
TOTAL	43,78,842	42,06,174	21,63,295	1,07,48,311	26
Carried over	33,72,67,495	15,93,24,595	8,19,49,704	57,85,42,094	

* Sterling converted into Rupees at £1 = Rs. 10.

REVISED ESTIMATE, 1922-23.

Item Number.	India.	England.	Exchange.	TOTAL.	Increase (+) Decrease (-) as compared with Budget, 1922-23.
	Rs. 23,56,81,000	Rs. 15,69,60,000	Rs. 7,94,80,000	Rs. 47,41,21,000	Rs. -39,24,000
1	25,61,000	...	...	25,61,000	+5,12,000
2	8,28,000	...	...	8,28,000	-22,000
3	79,21,000	...	...	79,21,000	-1,10,000
4	...	...	...	...	...
5	17,46,000	...	...	17,46,000	+1,32,000
6	...	52,45,000	26,23,000	78,68,000	+31,77,000
7	72,41,000	3,27,000	1,63,000	77,31,000	-4,45,000
8	9,84,000	87,000	44,000	11,15,000	+1,13,000
9	44,65,000	35,000	17,000	45,17,000	+94,000
10	86,52,000	1,75,000	88,000	89,15,000	+7,89,000
11	20,74,000	2,35,000	1,17,000	24,26,000	-82,000
12	26,84,000	2,90,000	1,45,000	31,19,000	-1,23,000
13	2,80,73,000	6,51,000	3,26,000	2,90,50,000	+1,51,000
14	85,51,000	6,55,000	3,28,000	95,34,000	-12,84,000
15	30,48,000	55,000	28,000	31,31,000	-1,19,000
16	24,79,000	4,20,000	2,10,000	31,09,000	+11,000
17	15,98,000	60,000	30,000	16,88,000	+88,000
18	19,72,000	81,000	40,000	20,93,000	-1,76,000
19	15,000	28,000	14,000	57,000	-87,000
20	40,000	2,000	1,000	43,000	-5,000
21	20,79,000	3,63,000	1,91,000	26,53,000	+85,000
22	8,70,11,000	87,29,000	43,65,000	10,01,05,000	+26,99,000
23	29,02,000	40,90,000	20,45,000	90,37,000	+26,07,000
24	17,85,000	71,000	35,000	18,91,000	-3,01,000
25	...	...	50,00,000	50,00,000	-9,45,50,000
26	46,87,000	41,61,000	70,60,000	1,59,28,000	-3,22,44,000
	32,73,79,000	17,18,50,000	9,09,25,000	59,01,54,000	-9,34,69,000

BUDGET ESTIMATE, 1923-24.				Item Number.
India.	England.	Exchange.	TOTAL.	
Rs. 25,55,62,000	Rs. 17,08,03,000	Rs. 8,54,01,000	Rs. 51,17,66,000	
24,35,000	...	...	24,35,000	1
9,08,000	...	...	9,08,000	2
65,45,000	...	...	65,45,000	3
14,000	...	...	14,000	4
16,69,000	...	...	16,69,000	5
...	27,59,000	13,80,000	41,39,000	6
75,62,000	2,52,000	1,26,000	79,40,000	7
10,49,000	82,000	41,000	11,72,000	8
39,69,000	27,000	13,000	40,09,000	9
84,97,000	1,22,000	61,000	86,80,000	10
21,50,000	2,41,000	1,21,000	25,12,000	11
28,59,000	2,83,000	1,41,000	32,83,000	12
3,07,83,000	4,72,000	2,36,000	3,14,91,000	13
80,32,000	5,74,000	2,87,000	88,93,000	14
31,05,000	74,000	37,000	32,16,000	15
24,03,000	2,51,000	1,26,000	27,80,000	16
15,92,000	52,000	26,000	16,70,000	17
19,55,000	84,000	42,000	20,81,000	18
45,000	21,000	10,000	76,000	19
24,000	...	...	24,000	20
17,19,000	17,15,000	8,58,000	42,92,000	21
8,73,15,000	70,09,000	35,05,000	9,78,29,000	22
30,39,000	43,00,000	21,50,000	94,89,000	23
17,03,000	79,000	40,000	18,22,000	24
...	...	...	...	25
47,42,000	43,79,000	21,90,000	1,13,11,000	26
34,76,19,000	18,21,91,000	9,10,96,000	62,09,06,000	

* Sterling converted into Rupees at £1 = Rs. 10.

of the Central Government, in India and in England—*contd.*

BUDGET ESTIMATE, 1923-24.					
Item Number.	Increase (+) Decrease (—) as compared with Budget, 1922-23.	Increase (+) Decrease (—) as compared with Revised, 1922-23.	DISTRIBUTION OF TOTAL BETWEEN		HEADS OF EXPENDITURE.
			Voted.	Non-voted.	
	Rs. +3,37,21,000	Rs. +3,76,45,000	Rs. 8,11,41,000	Rs. 43,03,25,000	Brought forward.
					Civil Administration—
					22.—General Administration—
					A.—Heads of Provinces (including Governor General) and Executive Councils.
					B.—Legislative Bodies.
					C.—Secretariat and headquarters establishment.
					D.—Commissioners.
					E.—District Administration.
					F.—Home Administration, etc.
1	+3,86,000	—1,26,000			23.—Audit.
2	+58,000	+80,000			24.—Administration of Justice.
3	—14,86,000	—13,76,000	95,48,000	61,62,000	25.—Jails and Convict Settlements.
4	+14,000	+14,000			26.—Police.
5	+55,000	—77,000			27.—Ports and Pilotage.
6	—5,52,000	—37,29,000			28.—Ecclesiastical.
7	—2,36,000	+2,09,000	70,72,000	8,68,000	29.—Political.
8	+1,70,000	+57,000	7,43,000	4,29,000	30.—Scientific Departments.
9	—4,14,000	—5,08,000	37,93,000	2,16,000	31.—Education.
10	+5,54,000	—2,35,000	76,88,000	9,92,000	32.—Medical.
11	+4,000	+86,000	11,29,000	13,83,000	33.—Public Health.
12	+41,000	+1,64,000	...	32,83,000	34.—Agriculture.
13	+25,92,000	+25,41,000	...	3,14,91,000	35.—Industries.
14	—19,25,000	—6,41,000	68,14,000	20,79,000	36.—Aviation.
15	—34,000	—85,000	25,34,000	6,82,000	37.—Miscellaneous Departments.
16	—3,18,000	—3,29,000	18,08,000	9,72,000	
17	+70,000	—18,000	5,89,000	10,81,000	
18	—1,88,000	—12,000	15,81,000	5,00,000	
19	—68,000	+19,000	55,000	21,000	
20	—24,000	—19,000	19,000	5,000	
21	+17,24,000	+16,39,000	39,99,000	2,93,000	
22	+4,23,000	—22,76,000	4,73,72,000	5,04,57,000	TOTAL
					Currency, Mint and Exchange—
23	+30,59,000	+4,52,000	92,89,000	2,00,000	38.—Currency.
24	—3,70,000	—69,000	16,30,000	1,92,000	39.—Mint.
25	—9,95,50,000	—50,00,000	...	...	40.—Exchange.
26	—9,68,6,000	—46,17,000	1,09,19,000	3,92,000	TOTAL
	—6,27,17,000	+3,07,52,000	13,97,32,000	48,11,74,000	Carried over.

B.—Statement of the Expenditure charged to the Revenues

HEADS OF EXPENDITURE.	ACCOUNTS, 1921-22.				Item Number.
	India.	England.	Exchange.	TOTAL.	
	Rs.	Rs.	Rs.	Rs.	
Brought forward	33,72,67,495	15,93,24,895	8,19,49,704	57,85,42,094	
Civil Works—					
41.—Civil Works	1,51,30,197	1,91,508	98,495	1,54,20,200	27
Miscellaneous—					
43.—Famine Relief and Insurance—					
A.—Famine Relief	2,91,738	...	...	2,91,738	28
44.—Territorial and Political Pensions	28,03,614	1,15,529	59,418	29,78,561	29
45.—Superannuation Allowances and Pensions	29,50,461	2,07,76,801	1,06,85,803	3,44,13,065	30
46.—Stationery and Printing	57,05,101	14,84,975	7,63,744	79,53,820	31
47.—Miscellaneous	69,07,930	22,09,759	11,36,510	1,02,54,199	32
TOTAL	1,86,58,844	2,45,87,064	1,26,45,475	5,58,91,388	33
Military Services.					
48.—Army—					
Effective	49,65,16,677	8,25,25,297	5,96,05,751	70,85,71,984	34
Non-effective	3,65,55,901	3,33,68,358			35
	53,30,72,578	11,58,93,655	5,96,05,751	70,85,71,984	36
49.—Marine	1,10,20,093	40,65,559	20,90,974	1,71,76,626	37
50.—Military Works	5,12,03,112	12,19,442	6,27,176	5,30,49,730	38
TOTAL	59,52,95,733	12,11,78,656	6,23,23,901	77,87,98,340	39
Contributions and Assignments to the Central Government by Provincial Governments—					
52.—Miscellaneous adjustments between the Central and Provincial Governments	...	...	...	...	40
TOTAL EXPENDITURE CHARGED TO REVENUE	96,63,52,319	30,52,82,123	15,70,17,575	1,42,86,52,017	41

REVISED ESTIMATE, 1922-23.					
Item Number.	India.	* England.	Exchange.	TOTAL.	Increase (+) Decrease (—) as compared with Budget, 1922-23.
	Rs.	Rs.	Rs.	Rs.	Rs.
	32,73,79,000	17,18,50,000	9,09,25,000	59,01,54,000	-9,34,69,000
27	1,48,07,000	1,29,000	65,000	1,50,01,000	-11,48,000
28					
29	57,000	...	...	57,000	+30,000
29	27,90,000	1,16,000	58,000	29,64,000	-1,20,000
30	38,75,000	2,19,71,000	1,09,86,000	3,68,32,000	+1,21,07,000
31	39,42,000	14,92,000	7,46,000	61,80,000	-4,56,000
32	46,82,000	15,45,000	7,72,000	69,99,000	+8,80,000
33	1,53,46,000	2,51,24,000	1,25,62,000	5,30,32,000	+1,24,41,000
34	43,92,88,000	8,25,07,000	4,12,54,000	56,30,49,000	+2,01,49,000
35	4,16,67,000	3,45,30,000	1,72,65,000	9,34,62,000	+1,93,29,000
36	48,09,55,000	11,70,37,000	5,85,19,000	65,65,11,000	+3,94,78,000
37	89,56,000	25,94,000	12,97,000	1,28,47,000	-5,49,000
38	4,90,04,000	17,45,000	8,72,000	5,16,21,000	+48,36,000
39	53,69,15,000	12,13,76,000	6,06,88,000	72,09,79,000	+4,37,65,000
40	3,86,000	...	...	3,86,000	-59,43,000
41	89,48,33,000	31,64,79,000	16,42,40,000	1,37,95,52,000	-4,43,54,000

BUDGET ESTIMATE, 1923-24.				Item Number.
India.	England.	Exchange.	TOTAL.	
Rs.	Rs.	Rs.	Rs.	
34,76,19,000	18,21,91,000	9,10,96,000	62,09,06,000	
1,75,19,000	96,000	48,000	1,76,63,000	27
5,000	...	...	5,000	28
28,12,000	1,16,000	58,000	29,86,000	29
40,55,000	2,04,05,000	1,02,02,000	3,46,62,000	30
81,45,000	19,03,000	9,52,000	60,00,000	31
57,89,000	13,98,000	6,99,000	78,86,000	32
1,58,06,000	2,38,22,000	9,19,11,000	5,15,39,000	33
41,56,91,000	6,15,65,000	3,07,83,000	50,80,39,000	34
3,70,12,000	3,56,30,000	1,78,15,000	9,04,57,000	35
45,27,03,000	9,71,95,000	4,85,93,000	59,84,96,000	36
59,01,000	24,90,000	12,45,000	96,36,000	37
4,15,98,000	5,05,000	2,52,000	4,23,55,000	38
50,02,02,000	10,01,90,000	5,00,95,000	65,04,87,000	39
3,62,000	...	...	3,62,000	40
88,15,08,000	30,62,99,000	15,31,50,000	1,34,09,57,000	41

* Sterling converted into Rupees at £1 = Rs. 10.

of the Central Government, in India and in England—*contd.*

BUDGET ESTIMATE, 1923-24.					
Item Number.	Increase (+) Decrease (—) as compared with Budget, 1922-23.	Increase (+) Decrease (—) as compared with Revised, 1922-23.	DISTRIBUTION OF TOTAL BETWEEN		HEADS OF EXPENDITURE.
			Voted.	Non-voted.	
	Rs.	Rs.	Rs.	Rs.	
	—6,27,17,000	+3,07,52,000	13,97,32,000	48,11,74,000	Brought forward.
27	+15,14,000	+26,62,000	1,16,37,000	60,26,000	Civil Works— 41.—Civil Works.
28	—22,000	—52,000	5,000	...	Miscellaneous— 43.—Famine Relief and In- surance— A.—Famine Relief.
29	—98,000	+22,000	...	29,66,000	44.—Territorial and Political Pensions.
30	+99,37,000	—21,70,000	49,37,000	2,97,25,000	45.—Superannuation Allow- ances and Pensions.
31	—6,36,000	—1,80,000	59,49,000	51,000	46.—Stationery and Printing.
32	+17,67,000	+8,87,000	41,05,000	37,81,000	47.—Miscellaneous.
33	+1,09,48,000	—14,93,000	1,49,96,000	3,65,43,000	TOTAL
34	—3,48,61,000	—5,50,10,000	...	50,80,39,000	Military Services— 48.—Army— Effective.
35	+1,63,24,000	—30,05,000	...	9,04,57,000	Non-effective.
36	—1,85,37,000	—5,80,15,000	...	59,84,96,000	
37	—37,60,000	—32,11,000	...	96,36,000	49.—Marine.
38	—44,30,000	—92,66,000	...	4,23,55,000	50.—Military Works.
39	—2,67,27,000	—7,04,92,000	...	65,04,87,000	TOTAL
40	—59,67,000	—24,000	3,62,000	...	Contributions and Assign- ments to the Central Government by Provin- cial Governments— 52. Miscellaneous adjust- ments between the Central and Provincial Governments.
41	—8,29,49,000	—3,85,95,000	16,67,27,000	1,17,42,30,000	TOTAL EXPENDITURE CHARGED TO REVENUE.

C.—Statement of Receipts and Disbursements of the

RECEIPTS.	ACCOUNTS, 1921-22.		
	India.	England.	TOTAL.
	Rs.	Rs.	Rs.
Revenue (from Statement A)	1,09,14,24,581	4,01,44,664	1,13,15,69,245
Exchange added to Revenue	2,05,81,072	...	2,05,81,072
Total	1,11,20,05,653	4,01,44,664	1,15,21,50,317
Excess of Revenue over Expenditure charged to Revenue			—27,65,01,700
Railway Capital not charged to Revenue—			
Capital contributed by Railway Companies and Indian States towards outlay on State Railways	18,88,170	45,00,000	63,88,170
Public Debt Incurred—			
Permanent Debt—			
<i>Sterling Debt—</i>			
New Sterling Loan . . . . .	...	...	...
7 per cent. Stock . . . . .	...	7,50,00,000	...
5½ per cent. Stock . . . . .	...	6,86,71,413	...
4½ per cent. Stock . . . . .	...	...	...
<i>Rupree Debt—</i>			
New Rupee Loan . . . . .	...	...	...
6 per cent. Bonds, 1932 . . . . .	...	...	...
6 per cent. Bonds, 1931	11,30,75,300	...	...
6 per cent. Bonds, 1930	—7,08,500	...	...
6 per cent. Bonds, 1926	37,89,74,400	...	...
6 per cent. Bonds, 1927 . . . . .	...	...	...
5½ per cent. War Bonds, 1928	14,100	...	...
5½ per cent. War Bonds, 1920	—200	...	...
5½ per cent. War Bonds, 1921	—2,000	...	...
3½ per cent. Loans . . . . .	...	...	...
Total Net	49,13,53,100	14,36,71,413	63,50,24,513
Floating Debt—			42,26,70,108
Treasury Bills—			
Issued to Public	76,35,45,000	...	...
Issued to Paper Currency Reserve	62,95,00,000	...	...
Other Floating Loans	15,00,00,000	...	...
Total Net	1,54,30,45,000	...	1,54,30,45,000
			6,92,60,000
Unfunded Debt -			
Post Office Cash Certificates	47,98,217	...	...
Deposits of Service Funds	16,16,231	17,698	...
Savings Bank Deposits	27,21,30,946	3,60,177	...
Total Net	27,84,45,394	3,98,075	27,88,43,469
			4,62,46,893
Deposits and Advances—			
Deposits of Local Funds—			
District Funds	11,44,53,945	...	...
Other Funds	8,29,37,619	...	...
Deposits of Branch Lines Companies	7,36,040	...	...
Sinking Funds for Central Loans	1,54,00,000	...	...
Other Sinking Fund Deposits	3,00,544	...	...
Gold Standard Reserve . . . . .	...	97,08,37,535	...
Paper Currency Reserve	3,40,64,437	37,10,31,640	...
Departmental and Judicial Deposits	79,79,05,846	...	...
Advances	13,25,76,566	2,46,23,447	...
Suspense Accounts	6,32,84,066	26,73,678	...
Exchange on Remittance Accounts	11,36,82,631	...	...
Miscellaneous	5,26,75,082	94,73,033	...
Total Net	1,40,60,21,796	1,37,66,39,333	2,78,04,61,129
			18,71,20,018
Carried over to pages 120 and 121	4,83,47,59,113	1,56,73,53,485	

*Sterling converted into Rupees at £1 = Rs. 10.

BUDGET FOR 1923-24.

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Central Government, in India and in England.

REVISED ESTIMATE, 1922-23.			BUDGET ESTIMATE, 1923-24.		
India.	England.	TOTAL.	India.	England.	TOTAL.
Rs. 1,18,30,80,000	Rs. 1,59,58,000	Rs. 1,19,90,38,000	Rs. 1,32,07,29,000	Rs. 1,88,76,000	Rs. 1,33,96,05,000
79,79,000	---	79,79,000	94,38,000	---	94,38,000
1,19,10,59,000	1,59,58,000	1,20,70,17,000	1,33,01,67,000	1,88,76,000	1,34,90,43,000
---	---	-17,25,35,000	---	---	60,86,000
6,93,000	17,85,000	25,78,000	1,50,42,000	3,00,84,000	4,51,26,000
---	---	---	---	15,14,08,000	---
---	14,55,10,000	---	---	---	---
---	17,00,00,000	---	---	---	---
19,45,92,000	---	---	25,00,00,000	---	---
---	---	---	---	---	---
---	---	---	---	---	---
27,37,83,000	---	---	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
6,66,000	---	---	3,00,000	---	---
46,93,61,000	31,55,10,000	78,48,71,000	25,03,00,000	15,14,08,000	40,17,08,000
---	---	66,45,36,000	---	---	33,12,56,000
45,50,00,000	---	---	40,50,00,000	---	---
49,65,00,000	---	---	49,65,00,000	---	---
---	---	---	---	---	---
95,15,00,000	---	95,15,00,000	90,15,00,000	---	90,15,00,000
---	---	0	---	---	0
78,00,000	---	---	1,28,00,000	---	---
14,52,000	20,000	---	14,43,000	20,000	---
24,53,39,000	1,40,000	---	26,50,90,000	1,20,000	---
25,45,91,000	1,60,000	25,47,51,000	27,93,33,000	1,40,000	27,94,73,000
---	---	3,14,11,000	---	---	5,01,85,000
11,88,42,000	---	---	11,76,08,000	---	---
8,41,47,000	---	---	8,17,31,000	---	---
15,31,000	---	---	23,69,000	---	---
1,54,00,000	---	---	1,54,00,000	---	---
3,13,000	---	---	3,25,000	---	---
---	1,41,24,21,000	---	---	1,42,06,73,000	---
2,17,90,000	24,19,30,000	---	---	5,84,50,000	---
78,21,25,000	---	---	77,22,50,000	---	---
19,15,95,000	1,50,09,000	---	17,12,65,000	53,33,000	---
2,60,22,000	---	---	83,00,000	1,75,41,000	---
16,96,05,000	---	---	8,70,80,000	---	---
10,21,24,000	82,47,000	---	1,77,30,000	55,55,000	---
1,51,35,00,000	1,67,76,57,000	3,19,11,57,000	1,27,40,58,000	1,50,75,57,000	2,78,16,15,000
---	---	18,64,53,000	---	---	11,42,69,000
4,38,09,04,000	2,01,10,70,000	---	4,05,04,00,000	1,70,80,65,000	---

C.—Statement of Receipts and Disbursements of the

DISBURSEMENTS.	ACCOUNTS, 1921-22.		
	India.	England.	TOTAL.
	Rs.	Rs.	Rs.
Expenditure (from Statement B)	96,63,52,319	30,52,82,123	1,27,16,34,442
Exchange charged as Expenditure	15,70,17,575	...	15,70,17,575
TOTAL	1,12,33,69,894	30,52,82,123	1,42,86,52,017
Railway, Irrigation, Posts and Telegraphs and other Capital not charged so far—			
CONSTRUCTION OF STATE RAILWAYS	9,39,92,306	13,56,46,629	22,96,38,935
PAYMENTS FOR DISCHARGE OF DEBENTURES	2,85,276	5,00,000	7,85,276
CONSTRUCTION OF IRRIGATION WORKS.	1,18,054	126	1,18,180
CAPITAL OUTLAY ON INDIAN POSTAL AND TELEGRAPH DEPARTMENT	61,61,617	...	61,61,617
INITIAL EXPENDITURE ON NEW CAPITAL AT DELHI	1,19,29,639	15,97,779	1,35,27,418
* Public Debt Discharged—			
Permanent Debt—			
Rupee Debt—			
5½ p. c. War Bonds, 1920.	38,09,785	...	
Do. Do. 1921.	15,35,92,150	...	
Do. Do. 1922.	3,56,46,575	...	
Do. Do. 1923.	...	...
5½ p. c. War Bonds, 1925.	400	...	
5 p. c. War Loan, 1929-47	61,86,125	...	
5 p. c. Loan, 1945-55	1,15,13,200	...	
4 p. c. Loans.	12,00,000	...	
3½ p. c. Loans	9,958	...	
3 p. c. Loans	96,200	...	
Government Stock notes	12	...	
TOTAL NET	21,23,54,405	...	21,23,54,405
floating Debt—			
Treasury Bills—			
Issued to Public	66,05,85,000	...	
Do. Paper Currency Reserve	66,32,00,000	...	
Other Floating Loans	15,00,00,000	...	
TOTAL NET	1,47,37,85,000	...	1,47,37,85,000
Unfunded Debt—			
Post Office Cash Certificates	91,41,448	...	
Special Loans	12,206	...	
Deposits of Service Funds	15,06,242	6,727	
Savings Bank Deposits	22,19,18,329	11,624	
TOTAL NET	23,25,78,225	18,351	23,25,96,576
Deposits and Advances—			
Deposits of Local Funds—			
District Funds	11,85,26,408	...	
Other Funds	8,55,34,553	...	
Deposits of Branch Line Companies	7,17,179	...	
Sinking Funds for Central Loans	1,36,75,346	...	
Gold Standard Reserve	10	97,08,63,609	
Paper Currency Reserve	3,35,63,836	37,10,31,640	
Departmental and Judicial Deposits.	79,05,13,616	...	
Advances	15,03,37,702	2,40,47,448	
Suspense Accounts	3,02,46,896	...	
Exchange on Remittance Accounts	...	...
Miscellaneous	3,15,935	1,01,61,933	
TOTAL NET	1,22,34,31,461	1,37,61,09,630	2,59,95,41,111
Carried over to pages 122 and 123	4,38,00,05,897	1,81,91,54,638	0

Central Government, in India and in England.

REVISED ESTIMATE, 1922-23.			BUDGET ESTIMATE, 1923-24.		
India.	England.	TOTAL.	India.	England.	TOTAL.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
69,68,33,000	31,84,79,000	1,21,53,12,000	88,15,08,000	30,62,99,000	1,18,78,07,000
16,42,40,000	...	16,42,40,000	15,31,50,000	...	15,31,50,000
1,06,10,73,000	31,84,79,000	1,37,95,52,000	1,03,46,58,000	30,62,99,000	1,34,09,57,000
9,71,25,000	10,44,80,000	20,16,05,000	19,63,95,000	19,00,00,000	(a) 38,63,95,000
20,00,000	40,00,000	60,00,000	1,50,42,000	3,00,84,000	4,51,26,000
1,99,000	1,000	2,00,000	22,000	...	(b) 22,000
1,10,36,000	...	1,10,36,000	94,30,000	...	(b) 94,30,000
1,72,93,000	18,57,000	1,91,50,000	1,88,42,000	8,58,000	(c) 1,97,00,000
9,00,000	...	...	12,77,000	...	...
40,00,000	...	...	32,15,000	...	...
7,15,00,000	...	...	44,52,000	...	...
8,00,000	...	...	1,44,59,000	...	...
...
54,40,000	...	...	1,02,35,000	...	...
1,37,24,000	...	...	74,45,000	...	...
2,31,67,000	...	...	2,87,19,000	...	...
4,000	...	...	...	...	...
8,00,000	...	...	3,50,000	...	...
...
12,03,35,000	...	12,03,35,000	7,01,52,000	...	7,01,52,000
...
78,41,00,000	...	...	46,00,00,000	...	...
57,89,00,000	...	...	49,65,00,000	...	...
...
1,36,30,00,000	...	1,36,30,00,000	95,65,00,000	...	95,65,00,000
...	...	41,15,00,000	...	...	5,50,00,000
2,00,00,000	...	...	1,75,00,000	...	...
12,000	...	...	12,000	...	...
15,03,000	1,00,000	...	15,36,000	3,00,000	...
20,16,45,000	80,000	...	20,58,90,000	50,000	...
22,31,60,000	1,80,000	22,33,40,000	22,89,38,000	3,50,000	22,92,88,000
...	...	0	...	...	0
12,14,67,000	...	...	12,15,73,000	...	...
8,42,27,000	...	...	8,23,71,000	...	...
16,17,000	...	...	23,86,000	...	...
1,70,22,000	...	...	1,54,02,000	...	...
...	1,41,24,21,000	...	...	1,42,06,73,000	...
8,16,00,000	24,19,80,000	...	...	5,84,50,000	...
77,95,60,000	...	...	77,37,77,000	...	...
19,26,48,000	1,49,75,000	...	15,93,73,000	63,57,000	...
5,02,63,000	...	...	15,37,000	1,75,41,000	...
...
...	68,42,000	...	...	79,06,000	...
1,32,84,54,000	1,67,62,18,000	3,00,46,72,000	1,15,64,19,000	1,51,09,27,000	2,66,73,46,000
...	...	0	...	...	0
4,22,36,75,000	2,10,52,15,000	...	3,65,63,98,000	2,03,85,18,000	...

(a) Of this amount, Rs. 2,02,000 is non-voted and the balance of Rs. 38,61,93,000 is voted.

(b) The whole of this amount is voted.

(c) Of this amount, Rs. 3,76,000 is non-voted and the balance of Rs. 1,93,24,000 is voted.

C. Statement of Receipts and Disbursements of the

RECEIPTS.	ACCOUNTS, 1921-22.		
	India.	England.	TOTAL.
	Rs.	Rs.	Rs.
Brought forward from pages 116 and 117	4,83,47,59,113	1,56,73,53,485	
Loans and Advances by the Central Government	32,12,613	...	32,12,613
NET			0
Loans between Central and Provincial Governments	77,18,222	...	77,18,222
NET			0
Remittances--			
Inland Money Orders	84,87,76,638	...	
Other Local Remittances . . . . .	...	...
Other Departmental Accounts	5,004	...	
Net Receipts by Civil Treasuries from--			
Railways	5,08,74,190	...	
Net Receipts from Civil Treasuries by--			
Posts and Telegraphs	5,54,90,744	...	
Marine	2,34,59,882	...	
Army and Military Works	55,98,40,510	...	
Remittance Account between England and India--			
Transfers through Paper Currency Reserve	2,90,060	2,50,11,590	
Remittances from India for financing Home Treasury . . . . .	...	...
Iraq drawings	290	5,46,29,217	
Recoverable War Expenditure	9,03,85,430	10,95,54,084	
Other transactions	25,20,53,178	14,69,98,039	
TOTAL	1,88,11,75,926	33,61,92,930	2,21,73,68,856
NET			3,24,36,065
Secretary of State's Bills drawn	...	...	...
Balances of Provincial Governments	...	...	...
NET			0
TOTAL RECEIPTS	6,72,68,65,874	1,90,35,46,415	
Opening Balance	13,83,56,901	(a) 7,20,98,319	
GRAND TOTAL	6,86,52,22,775	1,97,56,44,734	

* Sterling converted into Rupees at £1 = Rs. 10.

(a) Of this amount, Rs. 48,828 represents the funds of the Gold Standard Reserve.

BUDGET FOR 1923-24.

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Central Government, in India and in England—*contd.*

REVISED ESTIMATE, 1922-23.			BUDGET ESTIMATE, 1923-24.		
India.	England.	TOTAL.	India.	England.	TOTAL.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
4,38,09,04,000	2,01,10,70,000		4,05,04,00,000	1,70,80,65,000	
30,87,000	...	30,87,000	28,21,000	...	28,21,000
		18,99,000			6,67,000
1,13,05,000	...	1,13,05,000	80,37,000	...	80,37,000
		0			0
82,85,00,000	...		84,00,00,000	...	
5,28,55,000	...		4,78,27,000	...	
...	
9,94,60,000	...		5,95,74,000	...	
1,30,86,000	...		88,29,000	...	
1,13,05,000	...		78,28,000	...	
50,57,33,000	...		46,64,15,000	...	
...	
...	
...	2,66,40,000		...	28,00,00,000	
...	1,85,95,000		...	2,75,00,000	
...	7,28,23,000		...	1,20,00,000	
4,54,97,000			3,12,21,000	2,49,16,000	
5,55,64,36,000	11,80,58,000	1,67,44,94,000	1,46,16,94,000	34,44,16,000	1,80,61,10,000
		1,64,000			0
...	2,57,00,000	2,57,00,000	...	...	...
3,77,18,000	...	3,77,18,000	1,08,74,000	...	1,08,74,000
		1,57,37,000			0
5,98,94,50,000	2,15,48,28,000		5,53,38,26,000	2,05,24,81,000	
25,66,13,170	(b) 8,99,53,817		23,89,58,170	(b) 7,41,81,817	
6,24,60,63,170	2,24,47,81,817		5,77,27,84,170	2,12,66,62,817	

(b) Of this amount, Rs. 17,753 represents the funds of the Gold Standard Reserve.

C.—Statement of Receipts and Disbursements of the

DISBURSEMENTS.	ACCOUNTS, 1921-22.		
	India.	England.	TOTAL.
	Rs.	Rs.	Rs.
Brought forward from pages 118 and 119	4,38,00,05,897	1,81,91,54,638	
Loans and Advances by the Central Government			
NET	33,59,848	...	33,59,848 1,47,235
Loans between Central and Provincial Governments			
NET	7,15,46,657	...	7,15,46,657 6,38,28,435
Remittances—			
Inland Money Orders	85,28,83,993	...	
Other Local Remittances	64,20,043	...	
Other Departmental Accounts	3,72,583	...	
Net Payments into Civil Treasuries by—			
Railways	7,02,29,094	...	
Net Issues from Civil Treasuries to—			
Posts and Telegraphs	5,51,12,141	...	
Marine	2,37,36,845	...	
Army and Military Works	55,44,61,586	...	
Remittance Account between England and India—			
Transfers through Paper Currency Reserve	2,53,01,650	...	
Remittances from India for financing Home Treasury			
Iraq drawings	5,51,78,670	...	
Recoverable War Expenditure	19,54,32,100	...	
Other transactions	30,39,93,120	4,18,10,566	
TOTAL	2,14,31,22,225	4,18,10,566	2,18,49,32,791
NET			0
Secretary of State's Bills paid	...	...	...
Balances of Provincial Governments	1,05,74,978	2,47,25,713	3,53,00,691
NET			3,53,00,691
TOTAL DISBURSEMENTS	6,60,86,09,635	1,88,56,90,917	
Closing Balance	25,66,13,170	(a) — 8,99,53,817	
GRAND TOTAL	6,66,52,22,775	1,97,56,44,734	

* Sterling converted into Rupees at £1 = Rs. 10.

FINANCE DEPARTMENT,

DELHI;

March 29, 1923.

M F. GAUNTLETT.

Auditor General.

Central Government, in India and in England—*contd.*

REVISED ESTIMATE, 1922-23.			BUDGET ESTIMATE, 1923-24.		
India.	* England.	TOTAL.	India.	* England.	TOTAL.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
4,22,36,75,000	2,10,52,15,000		3,68,63,98,000	2,03,85,18,000	
11,88,000	...	11,88,000 0	21,54,000	...	21,54,000 0
12,56,16,000	...	12,56,16,000 11,43,11,000	14,27,14,000	...	14,27,14,000 13,46,77,000
82,80,00,000	...		84,00,00,000	...	
5,16,05,000	...		4,69,33,000	...	
1,17,000	...		9,000	...	
8,89,60,000	...		6,45,74,000	...	
1,30,86,000	...		88,29,000	...	
1,13,05,000	...		78,28,000	...	
50,57,33,000	...		46,64,15,000	...	
...	
2,63,70,000	...		28,00,00,000	...	
1,90,00,000	...		2,75,00,000	...	
8,67,50,000	4,34,04,000		1,20,00,000	...	
			3,98,09,000	2,02,28,000	
1,63,09,26,000	4,34,04,000	1,67,43,30,000 0	1,79,38,97,000	2,02,28,000	1,81,41,25,000 80,15,000
2,57,00,000	...	2,57,00,000	...	...	...
...	2,19,81,000	2,19,81,000 0	...	2,25,66,000	2,28,86,000 1,20,12,000
6,00,71,05,000	2,17,06,00,000		5,62,51,63,000	2,08,16,32,000	
23,69,58,170	(a) 7,41,81,817		14,76,21,170	(a) 4,50,30,817	
6,24,60,63,170	2,24,47,81,817		5,77,27,84,170	2,12,66,62,817	

(a) Of this amount, Es. 17,753 represents the funds of the Gold Standard Reserve.

A. C. McWATTERS,
Controller of the Currency.

E. M. COOK,
Secretary to the Government of India.

D.—Abstract Statement of the Receipts and Disbursements of the

REVENUE AND EXPENDITURE.		Accounts, 1921-22.			
		Revenue.	Expenditure.	Net Receipts.	Net Charges.
		Rs.	Rs.	Rs.	Rs.
Principal Heads of Revenue	Customs	34,40,98,361	65,67,633	33,75,10,749	
	Taxes on Income	18,74,13,424	22,50,972	18,51,62,452	
	Salt	6,34,37,848	1,56,49,096	4,77,88,752	
	Opium	3,07,24,798	1,80,04,867	1,27,19,931	
	Other heads	2,20,16,921	1,02,19,632	1,17,97,289	
TOTAL		64,76,91,372	5,27,12,199	59,49,79,173	
Commercial Services	Railways	15,20,82,829	24,29,62,572	...	9,08,99,743
	Irrigation	5,94,141	14,48,454	...	8,54,313
	Posts and Telegraphs	56,52,778	1,66,00,497	...	1,09,47,719
Debt Services	Interest	1,11,00,700	15,99,70,014	...	14,88,69,314
Civil Administration	Civil Administration	77,29,211	9,40,80,047	...	8,63,50,836
Currency, Mint and Exchange	Currency	4,22,53,002	90,75,012	3,31,77,990	...
	Mint	14,89,091	16,73,299	...	1,84,208
	Exchange . . . . .	...	...	...	...
Civil Works	Civil Works, etc.	11,33,782	1,54,20,290	...	1,42,86,418
Miscellaneous Civil Services	Famine Relief . . . . .	...	2,91,738	...	2,91,738
	Superannuation	27,73,883	3,44,13,065	...	3,16,39,162
	Miscellaneous	6,62,05,659	1,02,54,199	5,79,51,660	...
	Other Heads	8,77,133	1,09,32,381	...	1,00,55,248
Military Services	Army { Effective	7,24,22,501	70,85,71,984	...	63,61,49,463
	{ Non-effective				
	Marine	61,25,655	1,71,76,626	...	1,10,50,971
	Military works	21,45,676	5,30,49,730	...	5,09,04,054
Contributions and Assignments to Central Government by Provincial Governments		12,98,72,704	...	12,98,72,704	...
TOTAL		1,15,21,50,317	1,42,86,52,017	81,59,81,527	1,09,24,63,227
Surplus	
Deficit				27,65,01,700	

BUDGET FOR 1923-24.

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Central Government, in India and in England.

REVISED ESTIMATE, 1922-23.		BUDGET ESTIMATE, 1923-24.	
Net Receipts.	Net Charges.	Net Receipts.	Net Charges.
Rs.	Rs.	Rs.	Rs.
41,59,04,000		44,36,91,000	
17,43,43,000		18,40,85,000	
5,57,10,000		10,20,50,000	
2,10,00,000		2,04,81,000	
1,72,93,000		1,86,85,000	
68,42,50,000	...	76,89,92,000	...
...	42,60,000	3,85,26,000	...
...	1,99,000	...	3,37,000
24,16,000	...	1,54,97,000	...
...	14,03,79,000	...	14,70,61,000
...	9,44,85,000	...	9,16,21,000
2,45,76,000	...	1,69,46,000	...
...	1,94,000	...	13,31,000
...	50,00,000	...	...
...	1,38,76,000	...	1,65,94,000
...	57,000	...	5,000
...	3,43,18,000	...	3,21,40,000
...	42,85,000	...	67,51,000
...	76,10,000	...	78,09,000
...	52,35,91,000	...	48,41,01,000
...	9,02,44,000	...	8,76,66,000
...	92,62,000	...	75,07,000
...	4,77,81,000	...	4,07,26,000
9,17,64,000	...	9,17,74,000	...
80,30,06,000	97,55,41,000	83,17,35,000	92,36,49,000
...	...	80,86,000	...
17,25,35,000	...	...	...

D.—Abstract Statement of the Receipts and Disbursements of the Central Government, in India and in England—*contd.*

	ACCOUNTS, 1921-22.		REVISED ESTIMATE, 1923-24.		BUDGET ESTIMATE, 1923-24.	
	Net Receipts.	Net Charges.	Net Receipts.	Net Charges.	Net Receipts.	Net Charges.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Surplus	—	—	—	—	80,96,000	—
Deficit	—	27,65,01,700	—	17,26,35,000	—	—
Railway, Irrigation, Posts and Telegraphs and other Capital not charged to Revenue:—						
Payments for discharge of Debentures	—	7,85,278	—	60,00,000	—	4,51,26,000
Capital contributed by Railway Companies and Indian States towards construction of State Railways	63,88,170	—	26,78,000	—	4,51,26,000	—
Construction of Irrigation Works	—	1,18,160	—	2,00,000	—	22,000
Construction of State Railways	—	22,96,39,935	—	21,16,08,000	—	32,69,95,000
Capital outlay on Indian Postal and Telegraph Department	—	81,61,617	—	1,10,39,000	—	94,30,000
Initial expenditure on new Capital at Delhi	—	1,35,27,418	—	1,91,50,000	—	1,97,00,000
Capital Account.						
Permanent Debt (net)	42,26,70,108	—	66,45,36,000	—	33,15,56,000	—
Floating Debt (net)	6,92,60,000	—	—	41,15,00,000	—	5,50,00,000
Unfunded Debt (net)	4,62,46,989	—	3,14,11,000	—	5,01,85,000	—
Loans and Advances by Central Government (net)	—	1,47,235	18,99,000	—	6,67,000	—
Loans between Central and Provincial Governments (net)	—	6,38,28,435	—	11,48,11,000	—	13,46,77,000
Deposits and Advances (net)	18,71,20,018	—	18,64,86,000	—	11,42,69,000	—
Remittances (net)	3,24,96,065	—	1,64,000	—	—	60,15,000
Secretary of State's Bills drawn	—	—	2,57,00,000	—	—	—
Secretary of State's Bills paid	—	—	—	2,57,00,000	—	—
Balances of Provincial Governments (net)	—	8,53,00,601	1,57,37,000	—	—	1,20,12,000
Debt, Deposits, Advances and Remittances.						
Opening Balance	2,04,55,220	—	84,65,46,987	—	81,31,39,987	—
Closing Balance	—	34,65,66,987	—	81,31,39,987	—	19,26,81,987
Cash Balance.						
TOTAL	97,45,76,474	97,45,76,474	1,27,51,76,987	1,27,51,76,987	86,30,26,987	86,30,26,987

M. F. GAUNTLETT,

Auditor General.

A. C. McWATTERS,

Controller of the Currency.

E. M. COOK,

Secretary to the Government of India

DELHI,
FINANCE DEPARTMENT.

March 29, 1923.

NOTES EXPLAINING THE DETAILS UNDER CERTAIN HEADS OF THE ESTIMATES.

The broad totals of revenue and expenditure for the last year, the current year and the ensuing year, are as follows :—

	Actuals, 1921-22.
	R
Revenue	1,15,21,50,317
Expenditure charged to Revenue	1,42,86,52,017
	<hr/>
Deficit	27,65,01,700

	Revised, 1922-23.
	R
Revenue	1,20,70,17,000
Expenditure charged to Revenue	1,37,95,52,000
	<hr/>
Deficit	17,25,35,000

	Budget, 1923-24.
	R
Revenue	1,34,90,43,000
Expenditure charged to Revenue	1,34,09,57,000
	<hr/>
Surplus	80,86,000

These figures exclude all capital, debt and remittance transactions.

2. A brief explanation is as usual given below of the principal divergences between the Revised estimates of revenue and expenditure as submitted to the Legislature twelve months ago, and the actual accounts of the year as closed, audited and compiled by the Auditor-General.

3. The broad results are brought out in the following table :—

	Revenue.	Expenditure.	Deficit.
	R	R	R
Revised, 1921-22	1,13,15,32,000	1,41,94,52,000	28,79,20,000
Actuals, 1921-22	1,15,21,50,317	1,42,86,52,017	27,65,01,700

4. The actual deficit was less than the Revised Estimate by R1,14,18,300 mainly as the result of an increase of R60 lakhs in income-tax revenue and a reduction of R41 lakhs in the debits for exchange.

5. The details of certain heads of the estimates are explained in the following pages. The railway estimates are explained in Appendix I.

BUDGET FOR 1923-24.

I AND I. CUSTOMS.

SEA CUSTOMS.	Actuals, 1919-1920.	Actuals, 1920-1921.	Actuals, 1921-1922.	1922-1923.		Budget. 1923-1924.
				Budget.	Revised.	
IMPORTS.	R	R	R	R	R	R
<i>Special Import Duties.</i>						
1. Liquors—						
(a) Ale, Beer, Porter, Cider and other fermented Liquors	6,83,000	3,89,000	11,44,000	16,00,000	13,70,000	14,30,000
(b) Spirits and Liqueurs	1,24,79,000	1,70,6,000	1,91,71,000	2,43,00,000	2,62,00,000	2,28,00,000
(c) Wines	6,39,000	9,01,000	12,58,000	14,00,000	11,30,000	12,00,000
2. Sugar, all sorts	1,28,11,000	1,09,17,000	6,50,69,000	6,25,00,000	4,65,00,000	5,00,00,000
3. Tobacco	69,07,000	1,31,28,000	1,01,36,000	1,40,00,000	1,47,00,000	1,60,00,000
4. Coal, coke and patent fuel	22,000	46,000	7,59,000	5,00,000	5,30,000	5,50,000
5. Mineral oils	1,00,37,000	77,34,000	80,97,000	1,30,00,000	1,11,50,000	1,25,00,000
6. Arms, Ammunition and Military stores	6,03,000	6,15,000	7,51,000	8,50,000	8,50,000	9,00,000
7. Opium	3,000	3,000	2,000	3,000	3,000	3,000
8. Cotton yarn and thread				50,00,000	52,00,000	55,00,000
9. Cotton piece-goods	3,92,08,000	6,41,19,000	4,66,61,000	5,60,00,000	6,56,00,000	6,85,00,000
10. Matches	15,46,000	16,57,000	1,03,84,000	2,05,00,000	1,53,00,000	1,60,00,000
<i>Duty at 2½ per cent.</i>						
11. Machinery	1,88,000	2,67,000	1,15,95,000	1,05,00,000	69,00,000	69,00,000
12. Other articles	2,49,000	4,32,000	2,66,000	5,00,000	2,00,000	2,00,000
<i>Duty at 10 per cent.</i>						
13. Metals—Iron and Steel	46,08,000	66,90,000	67,75,000	1,73,00,000	1,86,00,000	2,00,00,000
14. Railway plant and roll- ing stock	13,56,000	33,91,000	53,32,000	1,73,00,000	1,20,00,000	1,10,00,000
15. Other articles	56,000	35,000	1,79,000		1,91,000	2,01,000
<i>Duty at 15 per cent.</i>						
16. Articles of Food and Drink (excluding sugar and vinegar)	66,30,000	63,69,000	83,00,000	94,00,000	1,30,00,000	1,45,00,000
17. Raw materials and articles mainly un- manufactured	38,15,000	38,23,000	42,15,000	45,00,000	68,00,000	68,00,000
18. Articles wholly or main- ly manufactured—						
(a) Cutlery, hardware, implements and instruments	55,32,000	1,28,57,000	1,27,24,000	2,02,00,000	1,36,00,000	1,48,50,000
(b) Metals other than Iron and Steel	63,67,000	69,92,000	61,55,000	86,00,000	1,10,00,000	1,21,00,000
(c) Yarns and textile fabrics (other than cotton manufac- tures)	45,87,000	1,05,42,000	55,03,000	65,00,000	78,00,000	78,00,000
(d) All other articles wholly or mainly manufactured	2,11,27,000	4,30,93,000	2,71,06,000	4,54,00,000	3,83,00,000	4,00,00,000
19. Miscellaneous	43,19,000	72,64,000	70,75,000	65,00,000	51,00,000	60,00,000
Carried over	14,79,70,000	22,97,78,000	25,86,57,000	34,63,53,000	31,60,24,000	33,55,31,000

(a) Includes Rs20 lakhs expected from the alteration in the rate of duty on saccharine.

A AND 1.—CUSTOMS—contd.

	Actuals, 1919-1920.	Actuals, 1920-1921.	Actuals, 1921-1922.	1922-1923.		Budget, 1923-1924.
				Budget.	Revised.	
	R	R	R	R	R	R
SEA CUSTOMS—contd.						
IMPORTS—contd.						
Brought forward	14,79,70,000	22,37,78,000	25,86,57,000	34,63,53,000	31,60,24,000	33,55,34,000
<i>Duty at 30 per cent.</i>						
20. Motor cars and cycles	...	...	51,50,000	60,00,000	59,00,000	70,00,000
21. Silk piece-goods and other manufactures of silk	49,55,000	49,17,000	51,60,000	80,00,000	81,00,000	85,00,000
22. Pneumatic rubber tyres and tubes	...	...	21,85,000	29,00,000	32,60,000	37,50,000
23. Other articles	14,63,000	29,40,000	58,67,000	95,00,000	1,00,00,000	1,10,00,000
TOTAL IMPORTS	15,43,58,000	23,16,35,000	27,70,19,000	37,47,53,000	34,32,84,000	36,57,84,000
24. Export duties—						
(a) Hides and skins, raw	91,92,000	60,22,000	51,42,000	62,00,000	44,00,000	25,00,000
(b) Jute (raw and manufactured)	2,97,48,000	3,21,13,000	2,71,99,000	3,20,00,000	3,41,06,000	3,45,00,000
(c) Rice	37,22,000	60,28,000	80,45,000	1,10,00,000	1,10,00,000	1,15,00,000
(d) Tea	54,51,000	42,05,000	46,26,000	60,00,000	50,95,000	55,45,000
25. Sea Customs—Miscellaneous	10,86,000	18,85,000	12,67,000	20,00,000	11,25,000	11,74,000
26. Land Customs	7,40,000	14,01,000	14,60,000	12,00,000	20,00,000	20,33,000
27. Excise Duty on Cotton manufactures	1,55,15,000	2,30,93,000	2,19,17,000	2,35,00,000	1,73,15,000	1,88,15,000
28. Excise Duty on Motor Spirit	41,42,000	54,26,000	61,10,000	75,00,000	70,00,000	80,00,000
29. Excise Duty on Kerosene	...	...	18,000	40,00,000	88,78,000	90,90,000
30. Warehouse and wharfr rents and Miscellaneous	8,79,000	71,77,000	8,28,000	10,00,000	8,00,000	10,00,000
TOTAL GROSS REVENUE	22,48,33,000	31,89,85,000	35,36,31,000	46,91,53,000	43,55,03,000	45,99,41,000
Deduct—Refunds	1,01,63,000	92,18,000	95,33,000	1,49,69,000	1,25,00,000	90,00,000
NET REVENUE	21,46,70,000	30,97,67,000	34,40,98,000	45,41,84,000	42,30,03,000	45,09,41,000
CHARGES.						
India	46,62,284	58,76,144	64,49,533	67,06,000	69,54,000	71,15,000
England	30,050	76,960	91,196	1,09,000	97,000	90,000
Exchange	...	...	46,903	...	48,000	45,000
TOTAL	49,12,334	59,53,104	65,87,633	68,15,000	70,99,000	72,50,000

Revised, 6. The Revised estimate of Customs revenue in 1922-23 amounts to 1922-23. $\text{₹}12,30.03$ lakhs or $\text{₹}3,11.51$ lakhs less than the Budget estimate. The largest decline ($\text{₹}1,60$ lakhs) will occur under sugar, the imports of which have fallen short of anticipations, partly as the result of a fall in prices, a consequent reduction in the tariff valuation from the 1st January 1923 and a postponement of imports in order to get the benefit of the lower valuation. The other important decreases occur under excise duty on cotton manufactures ($\text{₹}56.85$ lakhs) owing to a reduced output from cotton mills as the result of the high price of cotton and a fall in the price of cotton cloth in internal markets, and the import duties on cutlery and hardware ($\text{₹}63$ lakhs), railway plant and rolling stock ($\text{₹}53$ lakhs), matches ($\text{₹}52$ lakhs), spirits and liqueurs ($\text{₹}41$ lakhs), machinery ($\text{₹}36$ lakhs) and other manufactured articles ($\text{₹}71$ lakhs). The decline under these heads will, however, be largely set off by increases from the import duties on cotton piece-goods ($\text{₹}96$ lakhs), metals ($\text{₹}37$ lakhs) and articles of food and drink ($\text{₹}36$ lakhs) and the new excise duty on kerosene ($\text{₹}19.78$ lakhs).

Budget, 7. The Budget estimate of Customs revenue for 1923-24 is taken at 1923-24. $\text{₹}45,09.41$ lakhs or $\text{₹}2,79.38$ lakhs more than the Revised estimate for 1922-23. The estimates allow for a growth of revenue under the important tariff heads, the largest increases being expected under sugar ($\text{₹}15$ lakhs), cotton piece-goods ($\text{₹}29$ lakhs), metals ($\text{₹}25$ lakhs) and spirits and liqueurs ($\text{₹}24$ lakhs). The Budget also provides for increases of revenue under saccharine ($\text{₹}20$ lakhs) and tea-chests ($\text{₹}7$ lakhs), and for decreases under Railway materials ($\text{₹}23$ lakhs), machinery ($\text{₹}7$ lakhs) and the export duty on hides and skins ($\text{₹}19$ lakhs) as the result of the minor changes in the tariff schedule made in the Indian Finance Act, 1923.

II AND 2.—TAXES ON INCOME.

REVENUE.

	Actuals, 1919-1920.	Actuals, 1920-1921.	Actuals, 1921-1922.	1922-1923.		Budget, 1923-1924.
				Budget.	Revised.	
	₹	₹	₹	₹	₹	₹
EXCESS PROFITS DUTY.						
1. India	43,504	4,01,205	...	...	...	...
2. N.-W. Frontier	96,800	...	...	...	...	...
3. Madras	21,42,128	38,32,284	50,755	...	...	...
4. Bombay	2,78,07,499	61,56,826	8,24,367	...	...	...
5. Bengal	5,13,82,284	69,56,280	5,60,200	...	1,43,000	...
6. United Provinces	32,76,758	7,25,654	28,323	...	75,000	...
7. Punjab	6,94,035	4,23,648	51,453	...	...	...
8. Burma	39,23,846	2,85,277	...	...	...	...
9. Bihar and Orissa	2,24,608	30,726	13,881	...	...	...
10. Central Provinces	26,68,908	...	...	...	...	...
11. Assam	20,124	1,406	...	...	...	...
Total	9,22,80,494	1,88,15,906	26,30,563	...	2,18,000	...
SUPPER-TAX.						
1. India	53,468	1,92,232	2,64,293	3,35,000	1,73,000	1,73,000
2. N.-W. Frontier	19,433	10,744	9,959	23,000	45,000	45,000
3. Madras	33,93,508	18,22,524	54,87,989	56,60,600	40,50,000	50,00,000
4. Bombay	1,01,50,702	1,88,02,642	3,80,66,207	2,96,52,000	3,67,55,000	2,73,86,000
5. Bengal	9,06,438	3,36,91,335	3,03,34,671	3,05,00,000	1,26,63,000	1,90,00,000
6. United Provinces	8,87,591	17,89,590	38,64,123	45,00,000	28,01,000	22,09,000
7. Punjab	3,71,364	9,39,808	10,06,091	7,08,000	9,79,000	10,23,000
8. Burma	12,84,955	47,15,451	56,21,222	61,00,000	61,50,000	60,00,000
9. Bihar and Orissa	9,05,288	9,07,194	10,63,880	11,22,000	18,77,000	12,23,000
10. Central Provinces	2,56,600	6,24,361	18,42,103	20,71,000	24,00,000	17,00,000
11. Assam	17,723	94,658	13,713	1,00,000	1,01,000	1,00,000
Total	2,65,53,070	6,85,90,235	8,76,61,852	8,07,10,000	7,49,93,000	6,38,57,000
INCOME-TAX.						
1. India General—						
Civil	16,91,813	18,99,806	25,74,782	28,11,000	29,33,000	29,63,000
Non-Civil Departments	49,29,019	53,15,471	63,43,377	61,77,000	63,35,000	63,14,000
2. Delhi	8,07,540	12,79,749	13,60,514	12,10,000	10,83,000	10,86,000
3. Baluchistan	35,343	42,282	48,153	46,000	58,000	62,000
4. North-West Frontier	3,29,925	5,24,025	5,22,787	5,73,000	7,67,000	7,17,000
5. Madras	1,06,94,329	1,89,94,480	1,51,91,114	1,80,01,000	1,43,51,000	1,50,01,000
6. Bombay	3,46,96,785	4,29,40,821	5,58,19,576	5,30,14,000	5,68,62,000	4,21,22,000
7. Bengal	3,47,37,615	4,33,27,376	4,36,23,020	4,15,00,000	2,86,45,000	2,90,00,000
8. United Provinces	63,95,167	70,57,656	90,67,961	1,01,20,000	97,64,000	83,14,000
9. Punjab	44,90,189	55,25,173	50,31,329	65,24,000	78,01,000	67,29,000
10. Burma	88,83,839	1,13,71,272	1,29,71,221	1,51,00,000	1,35,17,000	1,35,09,000
11. Bihar and Orissa	24,54,375	26,62,359	32,43,551	37,82,000	41,50,000	41,50,000
12. Central Provinces	26,55,092	29,01,463	41,66,582	44,82,000	41,48,000	35,96,000
13. Assam	7,43,248	9,80,404	8,86,404	10,43,000	10,48,000	12,24,000
Total	11,34,44,879	13,95,23,357	16,08,59,371	16,43,88,000	15,13,67,000	13,45,78,000
Gross Revenue from Taxes on income	23,20,78,443	22,19,28,478	25,11,51,791	24,50,98,000	22,63,78,000	19,84,35,000
Deduct—Refunds	77,37,263	1,27,54,156	2,93,96,868	2,17,87,000	4,44,05,000	66,71,000
NET REVENUE	22,43,41,180	20,91,74,322	22,17,54,923	22,33,11,000	18,21,73,000	19,17,64,000
Deduct—Share of Provincial Governments in Income-tax revenue under the Devolution Rules			3,43,41,399	2,17,20,000	33,42,000	13,00,000
Revenue of the Central Government			18,74,13,524	22,11,39,000	17,88,31,000	19,04,64,000

BUDGET FOR 1923-24.

EXPENDITURE.

	Actuals, 1919-1920.	Actuals, 1920-1921.	Actuals, 1921-22.	1922-1923.		Budget, 1923-1924.
				Budget.	Revised.	
	R	R	R	R	R	R
1. India General	43,458	43,884	51,467	95,000	6,94,000	10,00,000
2. Delhi	5,508	971				
3. Baluchistan . . . . .	...	...	...	...	6,000	14,000
4. North-West Frontier	4,439	18,325	22,511	46,000	53,000	62,000
5. Madras	1,49,341	3,48,722	3,30,627	8,00,000	4,89,000	6,86,000
6. Bombay	4,42,885	5,84,630	4,97,945	11,04,000	8,98,000	14,79,000
7. Bengal	2,66,623	3,11,468	2,87,409	8,00,000	5,50,000	7,87,000
8. United Provinces	2,64,601	3,72,169	3,63,044	6,37,000	5,86,000	6,49,000
9. Punjab	1,09,818	2,07,814	3,04,785	5,29,000	4,80,000	5,96,000
10. Burma	1,21,772	1,46,335	1,31,931	2,62,000	2,38,000	3,87,000
11. Bihar and Orissa	52,165	64,257	78,269	1,82,000	1,89,000	2,29,000
12. Central Provinces	61,732	82,480	1,53,508	3,54,000	3,08,000	3,71,000
13. Assam	4,927	5,295	5,327	7,000	12,000	12,000
Deduct—Lump reduction made by the Assembly . . . . .	...	...	...	2,24,000	...	...
Total	15,27,269	21,86,350	22,26,823	46,02,000	45,17,000	62,87,000
England	1,230	19,720	15,947	66,000	47,000	61,000
Exchange . . . . .	...	...	8,202	—	24,000	31,000
TOTAL EXPENDITURE R	15,28,499	22,06,070	22,50,972	46,68,000	45,88,000	63,79,000

REVENUE.

(i) *Excess Profits Duty.*

Revised, 1922-23. 8. The Revised Estimate for the current year (R2.18 lakhs) represents the collection of arrears thrown forward from previous years.

(ii) *Super-tax and Income-tax.*

Revised, 1922-23. 9. The Revised Estimate of net revenue for 1922-23 is taken at R17,87.36 lakhs against the Budget Estimate of R22,11.39 lakhs. The bulk of the decrease occurs in Bengal (R3,61.19 lakhs) owing to a reduction in the profits of 1921-22 and to heavy refunds necessitated by the adjustment of provisional assessments made on the basis of the previous year's income in accordance with the provisions of section 19 of the Income-tax Act of

1918. There will also be a falling-off of revenue due to the same cause in Madras (R54.79 lakhs), Burma (R53.89 lakhs) and the United Provinces (R25.82 lakhs), but these decreases will be partly set off by increased collections in Bombay (R41.64 lakhs).

10. The Budget estimate of net revenue for 1923-24 is placed at R19,04.64 lakhs and is R1,17.28 lakhs more than the Revised estimate for the current year. Owing to the abolition of the adjustment system referred to above, the refunds are expected to be R3,77.11 lakhs less than in the current year, but this improvement will be set off to a large extent by a reduction in the demand in several provinces, notably Bombay and Bengal, following on the lower profits of the current year.

EXPENDITURE.

11. The Revised estimate for the current year does not materially differ from the Budget. The savings appearing against several provinces are nominal, being due to the full sanctioned staff not having been entertained. Payments will, however, have to be made to local Governments to compensate them for the work done by the provincial revenue staff where a whole-time staff has not been appointed, and a provision of R6 lakhs on this account is included under "India General." The Budget for 1923-24 provides for the further strengthening of income-tax establishments in almost all the provinces and includes R9 lakhs for compensatory payments to local Governments.

II AND 3.—SALT.

	Actuals, 1919-1920.	Actuals, 1920-1921.	Actuals, 1921-1922.	1923-1923.		Budget, 1923-1924.
				Budget.	Revised.	
REVENUE.	R	R	R	R	R	R
Northern India (a)	80,81,326	1,45,87,961	1,89,25,023	2,18,08,000	2,20,33,000	3,42,59,000
Madras (a)	1,51,53,932	1,46,12,475	1,39,10,320	1,41,96,000	1,60,92,000	2,39,35,000
Bombay (a)	1,71,82,357	2,13,17,341	1,25,87,566	1,56,24,000	1,64,00,000	2,75,31,000
Bengal (b)	1,38,59,449	1,40,10,216	1,58,42,365	1,62,80,000	1,88,60,000	2,70,40,000
Burma (b)	32,90,112	31,64,742	33,52,444	34,00,000	33,30,000	55,04,000
Bihar and Orissa	1,233	1,803	2,082	1,000	1,000	1,000
Assam	910	770	...	...	...	...
GROSS REVENUE	5,74,79,319	6,76,45,308	6,44,19,890	7,13,09,000	7,67,16,000	11,83,00,000
Deduct—Refunds	2,95,405	57,65,495	9,81,952	27,06,000	49,32,000	8,00,000
NET REVENUE	5,70,83,914	6,18,79,813	6,34,37,938	6,86,03,000	7,17,84,000	11,75,00,000
CHARGES.						
Cost of salt purchased by Government	19,17,766	17,85,146	21,16,621	24,63,000	20,42,000	23,62,000
Assignments and compensations	44,46,452	38,55,408	36,84,990	38,77,000	38,49,000	39,11,000
Other charges	61,69,248	75,05,377	97,34,977	1,10,89,000	1,00,86,000	90,93,000
Deduct:—Lump reduction made by the Assembly . . . . .	...	...	...	1,71,000	...	...
Total India	1,25,33,466	1,31,45,931	1,55,36,588	1,72,58,000	1,59,77,000	1,53,66,000
England	51,730	61,840	74,296	71,000	65,000	56,000
Exchange . . . . .	...	...	88,212	...	32,000	28,000
TOTAL	1,25,85,196	1,32,07,771	1,56,49,096	1,73,29,000	1,60,74,000	1,54,50,000
Total Consumption Mds.	4,98,21,000	4,66,71,000	4,78,31,000	5,26,00,000	5,35,00,000	5,30,00,000

(a) Chiefly excise on local manufacture.

(b) Chiefly duty on imported salt.

REVENUE.

Revised. 12. Exclusive of the proceeds of the additional taxation referred to in paragraph 14 below, the Revised estimate of gross revenue exceeds the Budget for the current year by Rs29·07 lakhs, the increase occurring mainly in

Bengal (R18.80 lakhs) owing to the realisation of amounts outstanding from the previous year and in Madras (R13.96 lakhs) as the result of larger sales. The net revenue will, however, be only R6.81 lakhs more than the Budget owing chiefly to refunds of duty on Baragara salt recovered in 1920-21 (R20 lakhs).

13. The total issues of salt in 1923-24, imported as well as locally manufactured, are taken at 5,30 lakhs of maunds. Including sale-proceeds of *Budget, 1923-24.* Government salt and other miscellaneous receipts and allowing for refunds, on a normal scale, the Budget estimate of net revenue for 1923-24 has been placed at R7.25 lakhs exclusive of the proceeds of the additional taxation.

14. With effect from the 1st March 1923, the duty on salt imported into, and produced in, India has been increased from R1-4 to R2-8 a maund in accordance with the Indian Finance Act, 1923. Allowing for the operation of the credit system of sales which is in force in Bengal, Madras and Bombay, the extra revenue from the doubling of the duty is estimated at R25 lakhs in the current year and R4.50 lakhs in 1923-24.

EXPENDITURE.

15. The Revised estimate for 1922-23 is less than the Budget by *Revised, 1922-23.* R12.55 lakhs, the decrease occurring chiefly in Northern India, Madras and Bombay. The Budget for 1923-24 contains additional provision for the improvement of salt sources and the development of mines, but this is more *Budget, 1923-24.* than counter-balanced by a decrease of R9.80 lakhs due to the credit under this head from next year of the recoveries from traders of the cost of bags used for despatch of salt which were hitherto treated as an item of revenue.

IV AND 4.—OPIUM

	Actuals, 1919-1920.	Actuals, 1920-1921.	Actuals, 1921-1922.	1922-1923.		Budget, 1923-1924.
				Budget.	Revised.	
	R	R	R	R	R	R
INDIA.						
Revenue—						
Sale of provision and medical opium	3,92,84,669	2,93,71,038	2,36,83,909	2,25,45,000	3,13,82,000	2,69,66,000
Excise opium and other revenue	62,77,543	59,70,196	70,41,284	83,87,000	84,87,000	1,03,47,000
GROSS REVENUE	4,55,62,212	3,53,41,234	3,07,25,192	3,09,32,000	3,98,69,000	3,93,13,000
Deduct—Refunds	419	623	394	2,000	1,000	1,000
NET REVENUE	4,55,61,793	3,53,40,611	3,07,24,798	3,09,30,000	3,98,68,000	3,93,12,000
Expenditure—						
Purchase of Opium (including payments to Cultivators)	1,11,23,467	1,03,82,503	1,61,14,979	1,67,58,000	1,69,18,000	1,69,19,000
Other Charges	18,91,180	19,22,133	18,10,228	19,98,000	18,73,000	18,23,000
Deduct.—Lump reduction made by the Assembly . . . . .	...	...	...	2,00,000	...	...
TOTAL INDIA	1,80,14,647	1,23,04,636	1,79,25,207	1,85,56,000	1,87,91,000	1,87,42,000
ENGLAND	39,850	70,550	52,605	65,000	51,000	59,000
Exchange . . . . .	...	...	27,055	...	26,000	30,000
TOTAL	1,80,54,497	1,23,75,186	1,80,04,867	1,86,21,000	1,88,68,000	1,88,31,000

REVENUE.

(i) Provision and Medical Opium.

Revised, 1922-23. 16. The Budget estimate for 1922-23 provided for a revenue of Rs. 2,25.45 lakhs from the sale of about 6,590 chests of opium for consumption outside India. Of this quantity 1,100 chests were to be disposed of at the monthly auctions held at Calcutta, and the balance was to be supplied to the Foreign Governments with which agreements have been entered into for the direct supply of opium at fixed prices, the countries which at present take the largest supplies in this manner being the Straits Settlements, the Netherlands Indies and Siam. Owing to a better demand for opium in the Far East than was anticipated in the Budget, 2,640 chests have so far been sold by auction and 250 chests are on offer for the sale of this month. The average price realised during the year will amount to Rs. 546 a chest, and the proceeds from auction sales are estimated at Rs. 1,31.38 lakhs, or Rs. 1.88 lakhs higher than the Budget. Inclusive of direct supplies which will bring in Rs. 6.49 lakhs more than the Budget owing to increased demands by some

of the Foreign Governments, it is now estimated that 8,336 chests will be disposed of in the current year and that they will fetch a revenue Rs. 13.82 lakhs.

17. The Budget estimate provides for a revenue of Rs. 2,89.66 lakhs from the sale of provision opium, or Rs. 24.16 lakhs less than the Revised estimate *Budget, 1923-24.* for the current year.

(ii) *Excise Opium and other revenue.*

18. The Revised estimate for 1922-23 is more than the Budget by Rs. 1 lakh owing to an increase in consumption, mainly in Bombay and Assam. *Revised, 1922-23.* The Budget estimate exceeds the current year's Revised by Rs. 18.60 lakhs in consequence of the increase of the price payable by Local Governments from Rs. 23 to Rs. 30 per seer from the 1st April 1923. Only the amount charged to Local Governments on account of the cost of production of opium consumed in India is credited under this head; the difference between the actual price of issue and the cost of production forming an item of excise revenue creditable to Provincial revenues in the case of the major provinces. *Budget, 1923-24.*

EXPENDITURE.

19. The Revised estimate for 1922-23 exceeds the Budget by Rs. 2.47 lakhs. *Revised, 1922-23.* There will be an increase of Rs. 3.34 lakhs in the payments for purchase of Malwa opium, partly set off by savings in establishment charges and in the provision for payments to cultivators in the United Provinces due to poor out-turn.

20. The Budget estimate for 1923-24 does not differ materially from the current year's Revised. *Budget, 1923-24.*

XV, 17, 18 AND 56.—POSTS AND TELEGRAPHS.

	Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.
				Budget.	Revised.	
	R	R	R	R	R	R
INDIAN POSTAL AND TELEGRAPH DEPARTMENT.						
GROSS RECEIPTS.						
INDIA.						
1. Postage and Message Revenue	7,28,30,379	7,03,41,950	7,36,78,560	9,22,69,000	7,99,69,000	8,49,99,000
2. Commission on money orders	97,83,027	1,83,76,585	1,05,90,485	1,10,00,000	1,04,70,000	1,08,00,000
3. Other Receipts	53,26,359	57,42,913	63,22,784	58,50,000	69,00,000	73,00,000
TOTAL INDIA	8,79,38,765	9,44,61,448	9,05,91,829	10,91,19,000	9,73,39,000	10,30,99,000
ENGLAND	...	...	...	...	...	...
TOTAL GROSS RECEIPTS	8,79,38,765	9,44,61,448	9,05,91,829	10,91,19,000	9,73,39,000	10,30,99,000
WORKING EXPENSES.						
INDIA.						
1. Establishment charges	4,34,87,442	3,97,70,800	6,50,29,704	6,82,22,000	6,66,66,000	6,84,05,000
2. Stationery and Printing	31,08,971	31,46,054	42,85,441	32,21,000	33,99,000	17,21,000
3. Conveyance of mails	82,80,236	1,00,51,774	1,09,92,055	1,14,99,000	1,12,78,000	1,06,83,000
4. Maintenance of Telegraph lines	30,56,590	39,90,662	45,75,648	60,89,000	57,10,000	48,62,000
5. Miscellaneous	12,88,441	11,05,551	12,95,088	12,96,000	22,08,000	12,78,000
TOTAL INDIA	5,98,21,680	7,80,64,841	8,61,77,936	9,03,27,000	8,92,61,000	8,29,49,000
ENGLAND.						
1. Contribution to Eastern mail subsidy	4,57,880	...	...	2,00,000	...	...
2. Other items	68,040	2,66,500	1,81,313	2,55,000	3,25,000	2,77,000
TOTAL ENGLAND	5,25,920	2,66,500	1,81,313	4,55,000	3,25,000	2,77,000
LOSS BY EXCHANGE	...	...	92,837	2,27,000	1,62,000	1,38,000
TOTAL WORKING EXPENSES	6,03,47,600	7,83,31,341	8,64,52,086	9,10,09,000	8,97,48,000	8,33,64,000
NET RECEIPTS—INDIAN POSTAL AND TELEGRAPH DEPARTMENT.	2,75,91,165	1,61,30,107	41,39,743	1,81,10,000	75,91,000	1,97,35,000

BUDGET FOR 1923-24.

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	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.	
			Budget.	Revised.		
EXPENDITURE CHARGED TO REVENUE.						
INDIAN POSTAL AND TELEGRAPH DEPARTMENT—						
INDIA.	R	R	R	R	R	
1. Interest on Debt	—22,70,161	56,81,015	66,00,000	62,05,000	68,28,000	
2. Miscellaneous Expenditure	—22,70,161	—36,49,829	—68,29,000	—54,13,000	—49,24,000	
	—22,70,161	20,31,195	—2,29,000	7,92,000	19,04,000	
ENGLAND.						
Miscellaneous Expenditure—						
Purchase of Stores	93,22,372	98,65,571	72,90,000	41,00,000	25,00,000	
Loss by Exchange . . . . .	...	50,34,237	36,45,000	20,50,000	12,50,000
TOTAL EXPENDITURE CHARGED TO REVENUE	70,52,211	1,69,31,003	1,07,06,000	69,42,000	56,54,000	
CAPITAL OUTLAY ON POSTS AND TELEGRAPHS.						
(NOT CHARGED TO REVENUE.)						
INDIAN POSTAL AND TELEGRAPH DEPARTMENT—						
INDIA.						
1. Telegraph Lines	66,26,833	48,99,424	89,44,000	62,23,000	61,00,000	
2. Telegraph Buildings	343	11,57,739	25,03,000	19,50,000	12,30,000	
3. Apparatus and Plant, etc.	5,89,280	21,04,454	30,53,000	28,63,000	21,00,000	
TOTAL	72,16,456	81,61,617	1,45,00,000	1,10,36,000	94,30,000	
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	Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.
				Budget.	Revised.	
INDO-EUROPEAN TELEGRAPH DEPARTMENT.						
GROSS RECEIPTS.						
INDIA.						
1. Message Revenue	39,58,011	16,28,207	27,63,199	24,00,000	23,00,000	24,00,000
2. Other Receipts	98,523	24,461	—5,169	—2,90,000	30,000	—2,96,000
TOTAL INDIA	40,56,534	16,52,668	27,63,030	21,10,000	23,30,000	21,04,000
ENGLAND.						
1. Message Revenue	10,45,920	15,00,695	14,44,588	9,50,000	14,75,000	10,00,000
2. Other Receipts	6,350	1,500	4,045	3,20,000	2,000	3,20,000
TOTAL ENGLAND	10,52,270	15,02,195	14,48,633	12,70,000	14,77,000	13,20,000
Gain by Exchange	6,99,509	6,35,000	7,39,000	6,60,000
TOTAL GROSS RECEIPTS	51,08,804	31,54,863	49,11,172	40,15,000	50,46,000	40,84,000
WORKING EXPENSES—						
INDIA AND ENGLAND.						
INDIA.						
Loss by Exchange	19,385	17,000	36,000	29,000
NET RECEIPTS—INDO-EUROPEAN TELEGRAPH DEPARTMENT	19,90,769	5,25,353	15,13,035	3,53,000	14,67,000	10,97,000

BUDGET FOR 1923-24.

	Actuals, 1920-21.	Actuals, 1921-22.	1923-23.		Budget, 1923-24.
			Budget.	Revised.	
	R	R	R	R	R
CAPITAL ACCOUNT CHARGED TO REVENUE.					
INDO-EUROPEAN TELEGRAPH DEPARTMENT—					
India	— 31,576	— 6,42,757	— 5,29,000	— 5,02,000	— 6,56,000
England	5,84,674	2,06,787	3,85,000	1,35,000	2,25,000
Loss by Exchange	—	1,05,464	1,65,000	67,000	1,12,000
TOTAL CAPITAL ACCOUNT CHARGED TO REVENUE	5,53,098	— 3,30,506	— 29,000	— 3,00,000	— 3,19,000

INDIAN POSTAL AND TELEGRAPH DEPARTMENT.

(a) *Gross Receipts.*

Revised, 1922-23. 21. The Revised estimate for 1922-23 falls short of the Budget by Rs. 17.80 lakhs owing partly to depression in trade and partly to reduction in correspondence in the early months of the year as the result of the increased rates of postage introduced by the Indian Finance Act, XII of 1922. The decrease would have been more but for larger realisations on account of rent of telephones and miscellaneous receipts (Rs. 10.50 lakhs).

Budget, 1923-24. 22. The Budget estimate of revenue for 1923-24 provides for an increase of Rs. 57.60 lakhs over the Revised estimate for the current year. The Indian Finance Bill of 1923 provides for the continuance during 1923-24 of the increased postal rates introduced by the Finance Act of 1922.

(b) *Working Expenses.*

Revised, 1922-23. 23. The Revised estimate shows a decrease of Rs. 12.61 lakhs as compared with the Budget, due chiefly to savings in temporary and additional establishments, partly set-off by charges for over-printing stamps and the manufacture of post-cards for which no provision was made in the Budget. The Budget estimate for 1923-24 has been generally framed with reference to the recommendations of the Indian Retrenchment Committee and is Rs. 63.84 lakhs less than the Revised estimate for the current year.

(c) *Interest on Debt.*

24. The Revised estimate for the current year and the Budget for the next year are taken at Rs. 62.05 and Rs. 65.28 lakhs, respectively, with reference to the estimates of capital outlay now adopted.

(d) *Miscellaneous Expenditure—India.*

25. The increase in the Revised over the Budget estimate for the current year and in the Budget estimate for 1923-24 over the current year's Revised is mainly due to a reduction in the value of stores issued to the capital account and for working purposes owing to a curtailment of the programme of works.

(e) Miscellaneous Expenditure—England.

26. The decrease of R31.90 lakhs in the Revised estimate for the current year as compared with the Budget is due partly to a fall in prices and in requirements and partly to a throw-forward of expenditure to the next year. The Budget grant for the purchase of stores in 1923-24 has been curtailed as the result of retrenchment.

*Revised,
1922-23.**Budget,
1923-24.**(f) Capital outlay not charged to Revenue.*

27. Pending the settlement of the basis of allocation of expenditure to the capital account, the arrangement adopted in the Budget estimate for the current year of showing outside the revenue account the outlay on telegraph buildings, lines and apparatus has been retained. The decrease in the Revised estimate for the current year and the further decrease in the Budget for 1923-24 are due to the restriction of expenditure to urgent works and works in progress.

INDO-EUROPEAN TELEGRAPH DEPARTMENT.

(a) Gross Receipts.

28. The Revised estimate for the current year exceeds the Budget by R10.31 lakhs owing to a greater volume of traffic over the Eastern Telegraph line. The Budget for 1923-24 assumes normal traffic over this line.

*Revised,
1922-23.
Budget,
1923-24.**(b) Working Expenses.*

29. The decrease of R5.85 lakhs in the Budget for the next year as compared with the Revised for the current year is due to retrenchment.

*Budget,
1923-24.**(c) Capital outlay charged to Revenue.*

30. There is a saving of R5.89 lakhs in the Revised estimate as compared with the Budget for the current year mainly due to the postponement of works which are not considered urgent and to smaller expenditure on stores. On the other hand, the contribution of R3.18 lakhs from the British Exchequer towards the construction of certain Persian lines for which credit was taken in the Budget is not expected to be realised during the current year. The Budget estimate for 1923-24 takes credit for this contribution, but provides for an increased expenditure of R2.99 lakhs on stores.

*Revised,
1922-23.**Budget,
1923-24.*

XVI.—INTEREST RECEIPTS.

	Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.
				Budget.	Revised.	
	R	R	R	R	R	R
INDIA.						
1. Interest on loans and advances by the Central Government . . .	35,96,153	35,97,716	35,21,554	34,56,000	34,93,000	34,35,000
2. Interest on overdrawn Capital of Railway Companies in India . . .	5,45,148	36,277	87,107	65,000	87,000	87,000
3. Interest on advances to Railway Companies charged to Capital . . .	22,460	1,24,560	4,51,974	7,50,000	8,40,000	10,60,000
4. Interest on Securities of Railway Companies' Provident Funds . . .	31,97,628	27,71,767	30,95,271	37,55,000	35,00,000	35,29,000
5. Miscellaneous items . . .	4,39,201	1,06,192	2,05,763	1,02,000	1,30,000	1,13,000
TOTAL INDIA . . .	78,00,790	66,36,512	73,11,609	81,23,000	80,00,000	81,74,000
ENGLAND.						
1. Interest realised from investment of Cash Balances, etc.	36,25,580	18,78,580	22,83,413	} 8,03,000	} 16,07,000	} 6,98,000
2. Interest on advances to the Imperial Bank of Persia for the purpose of the Persian Government	2,27,710	2,19,900	2,11,700			
3. Interest on investment in Special Reserve	35,04,130	—	—			
4. Miscellaneous	4,520	4,630	7,030			
5. Assets of Gold Standard Reserve in excess of £40 millions	—	—	—	—	—	1,05,83,000
TOTAL ENGLAND	73,61,940	21,03,110	25,02,143	8,03,000	16,07,000	1,12,81,000
EXCHANGE	—	—	12,86,888	—	8,04,000	56,41,000
TOTAL RECEIPTS	1,51,62,730	87,39,622	1,11,00,700	84,31,000	1,04,11,000	2,50,96,000
Loans by the Central Government outstanding on 31st March	9,23,69,626	9,08,72,250	9,10,19,485	9,01,70,250	8,91,20,485	8,84,53,455

India.

31. The variations do not call for remark.

England.

32. Owing to the large sterling loans issued during the year, the cash balances of the Secretary of State available for investment have been higher than anticipated in the Budget and the Revised estimate for the current year exceeds the Budget by R18.04 lakhs. The balances are expected to be smaller in 1923-24 and the Budget for that year has been taken at R9.09 lakhs less than the Revised. On the other hand, it proposed to credit to revenue the assets of the Gold Standard Reserve in excess of £40 millions and the Budget for 1923-24 includes a credit of R1,05.83 lakhs on this account exclusive of exchange, or a total credit inclusive of exchange of R1,58.74 lakhs.

19 AND 20—INTEREST EXPENDITURE AND 21.—SINKING FUNDS—

	Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.
				Budget.	Revised.	
	R	R	R	R	R	R
Interest on Debt other than that charged to Commercial Departments and Provincial Governments—						
Interest on total Debt—						
1. India	14,92,79,916	17,83,14,322	19,05,17,484	19,94,50,000	17,44,00,000	20,29,30,000
2. England	6,96,21,840	6,61,56,260	7,23,92,711	8,29,81,000	8,66,11,000	10,04,95,000
3. Exchange . . . . .	...	...	3,70,80,095	...	4,33,06,000	5,02,48,000
Total	21,89,01,756	24,49,70,652	29,99,90,290	28,24,31,000	30,43,17,000	35,36,73,000
Deduct—Amounts charged to—						
(a) Railways:						
(i) India	7,63,56,062	8,80,51,408	9,22,00,832	10,13,93,000	10,58,98,000	12,16,05,000
(ii) England	3,67,30,270	3,77,84,700	4,24,61,280	4,42,63,000	4,25,23,000	4,41,23,000
(iii) Exchange . . . . .	...	...	2,16,85,936	..	2,12,62,000	2,20,62,000
	11,30,86,332	12,58,00,108	15,63,48,048	14,56,61,000	16,96,83,000	18,77,90,000
(b) Irrigation:						
(i) India	8,83,915	9,25,348	12,18,481	9,51,000	10,76,000	10,88,000
(ii) England	50,000	51,000	...	...	...	...
	9,33,915	9,76,348	12,18,481	9,51,000	10,76,000	10,88,000
(c) Posts and Telegraphs.	...	...	56,81,015	68,00,000	62,05,000	68,28,000
(d) Provincial Governments	2,71,36,535	2,81,76,443	2,58,41,800	2,99,73,000	3,10,54,000	4,00,15,000
Total deduction	14,11,56,782	15,49,52,899	18,90,89,344	18,31,85,000	20,80,18,000	23,57,21,000
Interest on Ordinary Debt.	7,72,44,974	9,00,17,753	11,09,00,946	9,92,46,000	9,62,99,000	11,79,52,000
Interest on other Obligations—						
1. India—						
On Savings Bank Balances	1,40,92,437	1,73,17,939	...	2,24,81,000	2,20,61,000	2,43,13,000
Other items	46,18,701	42,31,496	...	98,82,000	94,40,000	77,94,000
	1,67,11,138	2,15,49,435	2,60,97,497	3,23,63,000	3,15,01,000	3,21,07,000
2. England . . . . .	...	...	...	...	60,000	36,000
3. Exchange . . . . .	...	...	...	...	80,000	18,000
TOTAL	1,67,11,138	2,15,49,435	2,60,97,497	3,23,63,000	3,15,91,000	3,21,61,000
Carried over	9,64,56,112	11,15,67,168	13,66,98,443	13,16,09,000	12,78,90,000	15,01,13,000

19 AND 20 = INTEREST EXPENDITURE AND 21. — SINKING FUNDS.
contd.

	Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.
				Budget.	Revised.	
	₹	₹	₹	₹	₹	₹
Brought forward	9,64,56,112	11,15,67,188	13,69,98,443	13,16,09,000	12,75,90,000	15,01,13,000
Sinking Funds—						
1. India	73,00,000	73,00,000	1,54,00,000	1,54,00,000	1,54,03,000	1,54,00,000
2. England	50,00,000	50,00,000	50,00,000	50,00,000	50,00,000	44,29,000
3. Exchange . . . . .	...	...	25,71,571	...	25,00,000	22,15,000
TOTAL	1,23,00,000	1,23,00,000	2,29,71,571	2,04,00,000	2,29,00,000	2,20,44,000
TOTAL	10,87,56,112	12,38,67,188	15,99,70,014	15,20,09,000	15,07,90,000	17,21,57,000
Debt outstanding on 31st March—						
	£	£	£	£	£	£
Sterling Debt	192,631,082	191,329,245	205,128,482	224,257,445	236,679,482	251,820,282
Rupee Debt—						
Permanent Debt—	R	R	R	R	R	R
New Loan . . . . .	...	...	...	25,00,00,000	...	25,00,00,000
6 per cent. Bonds . . . . .	...	29,35,34,700	78,48,75,900	78,48,50,700	1,25,35,50,900	1,25,35,50,900
5½ per cent. War Bonds	86,83,19,138	58,67,75,410	39,37,38,400	31,76,43,600	31,65,38,400	29,31,35,400
5 per cent. debt	45,96,52,000	45,28,51,700	43,48,64,175	41,50,33,700	41,57,00,175	39,80,20,175
4 per cent. "	17,36,92,100	17,24,87,200	17,12,87,200	17,00,87,200	14,81,20,200	11,94,01,200
3½ per cent. "	1,19,07,99,465	1,19,12,88,891	1,19,18,45,533	1,19,18,56,891	1,19,25,27,533	1,19,28,27,533
3 per cent. "	6,61,57,750	6,55,80,050	6,49,05,450	6,48,80,050	6,41,05,450	6,37,55,450
Other debt	1,00,13,500	1,00,13,500	1,00,13,488	1,00,13,500	1,00,13,488	1,00,13,488
Treasury Bills—						
Issued to public	42,89,00,000	43,67,10,000	53,96,70,000	42,34,10,000	21,05,70,000	15,55,70,000
Issued to Paper Currency Reserve	10,09,00,000	61,26,00,000	57,89,00,000	46,74,54,000	49,65,00,000	49,65,00,000
Savings Bank Balances	41,19,82,242	44,99,23,394	49,90,71,907	54,72,71,394	54,09,94,997	59,42,00,997
Post Office Cash Certificates	5,75,31,356	4,77,78,756	4,34,35,524	2,34,34,756	3,12,35,524	2,65,35,524

*Interest on Ordinary Debt.*Revised,
1922-23-

33. The gross charges on account of interest on debt show a saving of Rs1,26.04 lakhs as compared with the Budget after allowing for loss by exchange on the expenditure in England which the Budget did not include. Though the borrowings both in India and in England have been larger than the amounts budgeted for, a full half year's interest in respect of the greater part of these does not fall due within the current year. The success of these borrowings has, moreover, made it possible to fund a substantial portion of the floating debt and the payment of interest for short periods in respect of the loans raised during the year is much less than that which would have been payable for the replacement of the treasury bills discharged.

Budget,
1923-24.

34. In the Budget for 1923-24 provision has been made for a full year's interest on the rupee loan of Rs17 crores and the sterling loans of £32½ millions raised in the current year. A sum of Rs50 lakhs has been set aside for the service of the rupee loan and £475,000 for the service of the sterling loan to be floated in the coming year and Rs3.13 lakhs for discount on treasury bills; of the latter, Rs2.20 lakhs will be required for the replacement of the Indian treasury bills held in the Paper Currency Reserve. The balance of Rs93 lakhs will be available for meeting the discount on the treasury bills which it is anticipated will be sold to the public during the course of 1923-24 in partial replacement of those issued in the current year. Allowance has been made for the discharge of the War Bonds, 1923, amounting to Rs1½ crores and the terminable loan of 1915-16 amounting to Rs2½ crores, both of which are due for payment next year, and provision has been entered in England for the dividends due on the undischarged balance of India's share of the British war debt.

Transfers
to Com-
mercial
Depart-
ments
and
Pro-
vincial
Govern-
ments.

35. The amount of interest transferred to the accounts of the commercial departments depends, firstly, on the capital expenditure; secondly, on the actual payment of interest on that portion of the debt which has been incurred specifically on account of the construction or purchase of Railways; and, thirdly, on the rate at which interest is charged on that portion of the debt which has not been specifically raised for the above or other purpose. The present procedure is to charge to railways, posts and telegraphs and irrigation works, in respect of that portion of the debt which has not been incurred specifically for these works, interest on capital expenditure incurred to the end of 1916-17 at the rate of interest specified in the Devolution Rules and interest on capital outlay in subsequent years at the average rate paid on borrowings in that period. The variation in the amount of interest to be transferred to railways and posts and telegraphs in the Revised estimates of the current year as compared with the Budget figures is the result of fluctuations in the rates of interest and in the capital outlay on which the interest is calculated. The increase in the Budget estimate of 1923-24 is almost wholly due to the progress of the capital expenditure. The Budget estimates of 1923-24 for recoveries from Provincial Governments allows for a full year's interest on the loans granted to them by the Central Government during the current year.

Revised,
1922-23.Budget,
1923-24.*Interest on other Obligations.*Revised,
1922-23.

36. The discharge of Post Office Cash Certificates has not been on the scale anticipated and the payment of bonus will therefore be Rs1½ lakhs less than the Budget for the current year. There will also be a decrease of

Rs 30 lakhs in interest on Post Office Savings Bank deposits. The above savings will be partly set off by a payment of Rs 30 lakhs on account of interest on the surplus proceeds deposited with the Government of India of the loan raised last year by the Government of the United Provinces and an arrear payment of interest on certain loans (Rs 05 lakhs). The Budget for 1923-24 includes an increased provision for interest charges following on the growth of the balances of provident fund and other accounts. On the other hand, the payments of bonus on Post Office Cash Certificates are expected to be less than the Revised estimate for the current year by Rs 16 lakhs.

*Budget,
1923-24.*

Sinking Funds.

37. The variation in the Budget for 1923-24 as compared with the Revised estimate for the current year is due to the adoption of a system of equated payments for the discharge of the remaining portion of the liability assumed by India in respect of the British war debt. This does not, however, involve any material alteration in the aggregate amount of interest and sinking fund charges relating to this liability.

29.—POLITICAL.

	Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24
				Budget.	Revised.	
	R	R	R	R	R	R
India General	1,85,67,638	2,07,60,998	19,61,412	72,21,000	67,83,000	65,79,000
Delhi . . . . .	...	580	520	1,000	1,000	1,000
Baluchistan	32,54,513	36,56,704	37,50,391	42,25,000	39,69,000	40,64,000
North-West Frontier	48,69,600	45,91,492	50,95,749	1,18,51,600	70,41,000	99,34,000
Madras	1,50,862	1,33,889	1,81,301	1,56,000	1,51,000	1,64,000
Bombay	12,52,696	12,87,515	12,51,243	13,68,000	12,73,000	12,25,000
Bengal	25,963	34,916	21,905	34,000	23,000	17,000
United Provinces	1,80,165	1,78,333	1,93,651	1,97,000	1,99,000	2,01,000
Punjab	6,37,932	6,53,398	6,69,248	7,30,000	6,54,000	6,54,000
Burma	12,84,933	14,99,710	62,83,963	17,01,000	60,68,000	59,00,000
Bihar and Orissa	79,279	81,560	90,230	95,000	95,000	53,000
Central Provinces	35,218	44,307	40,045	35,000	35,000	1,27,000
Assam	3,27,824	3,84,096	17,80,389	4,35,000	17,81,000	18,24,000
Total	3,06,66,623	3,33,07,498	2,13,20,046	2,80,69,000	2,80,73,000	3,07,83,000
England	7,07,100	9,80,370	8,20,122	8,30,000	6,51,000	4,72,000
Exchange . . . . .	...	...	4,21,801	...	3,26,000	2,36,000
Total	3,13,73,723	3,42,87,868	2,25,61,969	2,88,99,000	2,90,50,000	3,14,91,000

Revised,
1922-23.

38. The Budget estimate of the North-West Frontier Province for the current year included a provision of R60.45 lakhs for special civil expenditure in connection with the Waziristan scheme. Owing, however, to a part of the expenditure being thrown forward to the next year, it is now estimated that the above provision will be utilised only to the extent of R25½ lakhs of which R1½ lakhs will be recorded under this head and the balance under "Civil Works." The increases under Burma and Assam are nominal, being due to the exhibition under this head of the contributions to those Governments towards the charges on the North-East Frontier hitherto classified under "Miscellaneous Adjustments between the Central and Provincial Governments." The Budget Estimate for 1923-24 provides R91.30 lakhs for special civil expenditure in Waziristan of which R39 lakhs is included under this head and the balance under "Civil Works." Provision is also made for additional companies of the Zhob levy corps in Baluchistan and for the supply of arms and ammunition to the militias in the North-West Frontier Province.

Budget,
1923-24.

XXIX AND 40.—EXCHANGE.

	Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.
				Budget.	Revised.	
	R	R	R	R	R	R
Revenue
Expenditure	3,23,39,526	...	9,95,50,000	50,00,000	...

39. Since the 1st April 1920, the accounts have been prepared on the basis of the rate of 2s. per rupee for the conversion of rupee transactions into sterling and *vice versa*. The sterling value of the rupee has however fluctuated largely since that date, the average rate for the current year being expected to work out at slightly below 1s. 4d. In consequence of these variations from the 2s. rate, large sums have to be brought to account as credits or debits on account of exchange in respect of transactions involving remittances of funds to and from the Secretary of State.

40. The following table shows the debits for exchange in respect of remittance and allied transactions which are expected to be brought to account in the current and next years, the estimates for next year being based on the assumption of an average rate of exchange of 1s. 4d. during the year:—

	(In lakhs of Rupees.)	
	1922-23.	1923-24.
(i) Remittances from India for financing the Home Treasury	1,18	14,00
(ii) Bills and telegraphic transfers drawn by Mesopotamia for payment in India against recoveries in England	1,41	1,37
(iii) Excess in the assets of the Gold Standard Reserve over £40 millions, which are applicable to the reduction of created securities in the Paper Currency Reserve in India	72	...
(iv) Purchase of sterling by the Secretary of State from local bodies against payment to the latter in India	81	...
(v) Sterling money order and other miscellaneous transactions	1,07	99
Total	5,19	16,35

41. The increase against item (i) in the Budget for next year is due to the fact that the treasury balances in England will require assistance from India to the extent of £25 millions against £2½ millions only in the current year. There is no entry in the Budget against item (iii) as the excess in the assets of the Gold Standard Reserve over £40 millions is proposed to be cre-

dated to Revenue in 1923-24. The Revised estimate against item (iv) is explained by the fact that certain local bodies raised sterling loans in England and were paid the rupee equivalent in India against the transfer of the proceeds of the loans to the Secretary of State.

42. The procedure adopted hitherto for the allocation between different heads of exchange gains and losses has been as follows. All exchange gains and losses arising in respect of remittance transactions are recorded in the first instance under a suspense head; the portion attributable to the revenue and capital accounts in respect of outlay incurred in England is calculated every month on the basis of the average of the daily telegraphic transfer rates from Calcutta on London and transferred to these accounts; and it is considered with reference to the circumstances of each year whether the balance remaining under the suspense head after these transfers are made should be written off to revenue or kept in suspense against the possibility of opposite results in succeeding years. The portion of the exchange gain or loss attributable to the revenue account which relates to outlay in England on behalf of commercial services (Railways, Irrigation works and Posts and Telegraphs) and to expenditure of Provincial Governments is debited to the commercial heads and Provincial Governments concerned, the balance of the gain or loss pertaining to the revenue account being shown under the general revenue or expenditure head "Exchange". With effect, however, from the accounts for 1921-22, the exchange relating to the revenue account is being distributed over the individual heads of revenue and expenditure concerned, both commercial and non-commercial, and there should, therefore, ordinarily be no entry against the revenue or expenditure head "Exchange".

43. The Revised estimates for the current year were framed on the assumption of an average rate of exchange of 1s. 4d. during the current year, but as the average rate for the year is now expected to be slightly less, the aggregate difference amounting to Rs 50 lakhs in respect of the net expenditure in England in the current year has been entered in lump under the expenditure head "Exchange" in the Revised estimate so as not to disturb the estimates already worked out under the several heads of account.

44. The following table shows the amounts chargeable to the revenue, capital and other heads during the current and next years on account of losses from exchange and the balance remaining under the suspense head after such allocation:—

Transferred to—	(In lakhs of Rupees.)	
	1922-23.	1923-24.
Capital heads (Railways and Delhi)	5.43	9.55
Provincial Governments	1.10	1.14
Revenue account (net as detailed in statements A and B)	15.62	14.37
Total transfers	22.15	25.06
Appropriation of loss to revenue and capital in excess of actual loss on remittances	16.98	8.71
Net credit under suspense head for two years together	25.87	

45. Taking into account a debit of Rs 11.48 lakhs which remained outstanding under the suspense head at the end of 1921-22, it is expected that there will be an outstanding credit balance of Rs 14.19 lakhs at the end of 1923-24 awaiting clearance in subsequent years.

XXXVI AND 48.—ARMY.

	Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.
				Budget.	Revised.	
	R	R	R	R	R	R
EXPENDITURE.						
India—						
Part A—Standing Army.						
<i>Effective Services.</i>						
Maintenance of the Standing Army.			31,54,57,826.	32,53,12,840	30,59,03,000	31,50,55,530
Cost of Educational, etc., establishments and working expenses of Hospitals, Depots, etc.			11,86,56,841	8,41,66,420	8,38,43,000	8,72,92,700
Army Headquarters, Staff of Commands, etc.	71,50,33,828	67,59,57,602	2,50,64,010	1,83,08,200	2,03,81,000	2,02,82,720
Stock Account			-7,32,55,962	32,25,920	-2,73,94,000	-3,11,41,500
Special Services			8,40,35,180	1,98,61,190	5,01,06,000	1,42,11,520
Miscellaneous Charges			1,09,57,648	2,99,21,930	2,44,73,000	1,85,64,970
Unadjusted Expenditure	-15,76,279	35,45,549	...	...	...	...
TOTAL—EFFECTIVE	R 71,34,47,549	67,88,98,151	48,09,16,343	48,07,99,500	45,73,12,000	42,22,66,000
NON EFFECTIVE SERVICES	R 1,81,77,260	2,48,11,966	3,65,55,901	5,53,69,500	5,89,32,000	5,48,27,000
Exchange on Home expenditure.	3,27,31,820	5,45,96,910	5,96,05,751	...	...	...
Part B.—Auxiliary and Territorial Forces.	R ...	...	69,40,941	1,18,86,000	1,06,46,000	1,07,54,000
Part C.—Royal Air Force	R ...	...	71,25,591	1,11,30,000	1,25,84,000	1,34,54,000
TOTAL INDIA	R 76,43,56,649	75,83,07,027	59,11,47,527	55,91,85,000	53,94,74,000	50,13,01,000
EXPENDITURE.						
England—						
Part A—Standing Army.						
<i>Effective Services.</i>						
Maintenance of the Standing Army.	3,563,204	3,223,355	4,051,609	4,287,700	3,247,200	2,937,500
Cost of Educational, etc., establishments and working expenses of Hospitals, Depots, etc.	...	165,179	669,783	752,400	820,700	191,700
Army Headquarters, Staff of Commands, etc	...	...	2,508	...	53,000	51,000
Stock Account . . . . .	...	2,395,847	2,011,176	1,441,100	1,493,400	1,441,300
Carried over	£ 3,563,204	5,781,381	6,735,081	6,481,200	5,614,300	4,621,500
	R 76,43,56,649	75,83,07,027	59,11,47,527	55,91,85,000	53,94,74,000	50,13,01,000

XXXVI AND 48—ARMY—*contd.*

		Actuals,	Actuals,	Actuals,	192-23.		Budget,
		1919-20.	1920-21.	1921-22.	Budget.	Revised.	1923-24.
		£	£	£	£	£	£
Brought forward	R	76,43,56,649	75,83,07,027	59,11,47,527	55,91,85,000	53,94,74,000	50,13,01,000
	£	3,563,204	5,781,381	6,735,081	6,481,200	5,614,300	4,621,500
Special Services		...	899,104	241,184	...	1,050,400	415,000
Miscellaneous Charges		...	1,049,752	930,082	1,038,700	652,900	633,500
TOTAL—EFFECTIVE	£	3,563,204	7,733,237	7,906,247	7,519,900	7,317,600	5,670,000
NON-EFFECTIVE SERVICES	£	2,983,160	3,186,145	3,336,836	3,752,700	3,453,000	3,563,000
Part C.—Royal Air Force		...	...	346,183	297,700	933,100	486,500
TOTAL ENGLAND	{ £	6,546,364	10,919,382	11,589,366	11,569,600	11,703,700	9,719,500
	{ R	6,54,63,640	10,91,93,820	11,58,93,660	11,56,96,000	11,70,37,000	9,71,95,000
TOTAL—EXPENDITURE	R	82,98,20,289	86,75,00,847	70,70,41,187	67,48,81,000	65,65,11,000	59,84,96,000
RECEIPTS.							
India	R	3,19,80,561	5,33,19,374	4,91,87,122	4,71,71,000	3,41,81,000	2,27,51,000
England	{ £	294,386	864,866	2,323,538	938,000	849,500	397,800
	{ R	29,43,860	86,48,660	2,32,35,380	93,80,000	84,95,000	39,78,000
TOTAL RECEIPTS	R	3,48,24,421	5,69,68,034	7,24,22,502	5,65,51,000	4,26,76,000	2,67,29,000
TOTAL NET EXPENDITURE	{ India R	73,24,76,088	70,49,87,653	54,19,69,405	51,20,14,000	50,52,93,000	47,85,50,000
	{ England R	6,25,19,780	10,55,45,160	9,26,58,280	10,63,16,000	10,85,42,000	9,32,17,000
	{ TOTAL R	79,49,95,868	81,05,32,813	63,46,18,685	61,83,30,000	61,38,35,000	57,17,67,000

NOTE.—Exchange on Home charges and receipts (i.e., difference between sterling figures converted at £1=R15 and £1=R10) has been added throughout to the Indian figures, the additions from 1922-23 being made to the various sub-heads.

Revised, 1922-23, compared with Budget, 1922-23. 46. The net Army expenditure in 1922-23 is now estimated at Rs. 61,38.35 lakhs against a corresponding Budget provision of Rs. 61,83.30 lakhs. The reduction of Rs. 44.95 lakhs is made up of a decrease of Rs. 67.21 lakhs in expenditure in India and an increase of Rs. 22.26 lakhs in expenditure in England.

India. 47. The decrease of Rs. 67.21 lakhs in India is the net result of several variations up and down the more important of which are given below:—

(Lakhs of Rupees.)

Decrease.

(i) Continued shortage in strengths of fighting and ancillary services	1.34
(ii) Reduction in the charges of hospitals owing to a fall in the rate of sickness and in the cost of diets	60
(iii) Fall in prices of foodstuffs and other consumable military stores and larger consumption of surplus stocks	1.90
(iv) Lapse in the grant for the Territorial Force	19
(v) Larger receipts from sale of ordnance and other stores	25
(vi) Utilisation of a portion of the provision made for the purchase of stores in the Indian Section of the Royal Air Force Budget, as well as of the unallotted reserve in the Budget, for the purchase of aviation stores in England	31
	<u>3.0</u>

<i>Increase.</i>		(Lakhs of Rupees.)
(i) Larger loss by exchange on expenditure in England, due to increase in the latter as compared with the Budget provision		1
(ii) Increase in expenditure on Waziristan occupation and operations, owing to a continuance of unsettled conditions		1,40
(iii) Expenditure on maintenance and retirement of surplus officers and troops		1,21
(iv) Increase in Non-effective charges		50
		3,22
—	Net decrease	63

48. The principal items contributing to the increase of R23.26 lakhs in England.
England are:—

<i>Increase.</i>		(Lakhs of Rupees.)
(i) Payment to His Majesty's Government of a share of cost of disbandment of British troops which had become surplus consequent on reductions in the Indian establishment		50
(ii) Larger expenditure on stores, met by transfers from Indian estimates		18
(iii) Increase in pension charges		4
		1,02

<i>Decrease.</i>		(Lakhs of Rupees.)
(i) Smaller expenditure on furlough and leave allowances		23
(ii) Smaller payment of marriage allowances and allotments to families of British soldiers and airmen		22
(iii) Lapse of the provision for non-recurring payment to the War Office in respect of exchange concession in connection with the issue of sterling war gratuities in certain cases, as a settlement is not likely to be arrived at in the matter in 1922-23		25
(iv) Smaller expenditure in England in connection with the retirement of surplus officers of the Indian Army to be retired		9
		79
—	Net increase	23

49. Of the sum of R62 crores allotted in the Budget for 1923-24 to meet the net expenditure on Military Services, R57,17.67 lakhs will be available for expenditure under the "Army" head, made up of R47,85.50 lakhs for expenditure in India and R9,32.17 lakhs in England. The former figure includes R4,66.09 lakhs on account of Exchange on net expenditure in England and R100.5 lakhs for special expenditure in Waziristan. The English expenditure includes £415,000 for the retirement of surplus officers of the Indian Army. Budget, 1923-24.

Budget, 1923-24, compared with Budget, 1922-23. 50. As compared with Budget for 1922-23, there is a decrease of R4.65 68 lakhs made up of R3,34.64 lakhs in India and R1,30.99 lakhs in England.

Budget, 1922-23. 51. As compared with the Revised estimate for 1922-23, there is a decrease of R4,20.68 lakhs of which R2,67.43 lakhs occurs in India and R1,53.25 lakhs in England.

XXXVII AND 49—MARINE.

		Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.	
					Budget.	Revised.		
EXPENDITURE.								
India	R	1,16,88,595	1,11,97,620	1,31,11,067	1,10,70,000	1,02,53,000	71,46,000	
England	£	839,655	573,488	406,556	465,200	259,400	249,000	
	R	88,96,550	57,34,883	40,65,560	46,52,000	25,94,000	24,90,000	
Total Expenditure	R	2,05,85,145	1,69,22,503	1,71,76,627	1,57,22,000	1,28,47,000	96,36,000	
RECEIPTS.								
India	R	40,72,325	79,56,768	55,91,868	20,23,000	35,85,000	21,29,000	
England	R	...	...	5,33,790	...	...	...
NET EXPEN- DITURE	India	R	76,16,270	32,30,852	75,19,199	90,47,000	66,68,000	50,17,000
	England	R	88,96,550	57,34,883	35,31,770	46,52,000	25,94,000	24,90,000
	Total	R	1,65,12,820	89,65,735	1,10,50,969	1,36,99,000	92,62,000	75,07,000

NOTE.—Exchange on Home charges and receipts (i.e. difference between sterling figures converted at £1=₹15 and £1=₹10) has been added throughout to the Indian figures.

Revised, 1922-23, compared with Budget, 1922-23. 52. The reduction in net expenditure of R44.37 lakhs which is now anticipated is explained below :—

	(Lakhs of Rupees)
(i) Recoveries from His Majesty's Government in respect of hire of Royal Indian Marine vessels employed on transport work for them	14
(ii) Smaller expenditure in England chiefly on account of purchase of stores	20
(iii) Decrease in Exchange on Home expenditure, consequent on a reduction in the latter	10
	<u>44</u>

Budget, 1923-24, compared with Budget, 1922-23, and Revised, 1922-23. 53. Budget for 1923-24 has been fixed at R75.07 lakhs, and is R61.92 lakhs less than the Budget for 1922-23 and R17.55 lakhs less than the Revised estimate for that year. The reduction is mainly due to absence of provision for the three Royal Indian Marine transports which, it is intended to scrap, and to other measures of retrenchment.

XXXVIII AND 50.—MILITARY WORKS.

		Actuals, 1919-20.	Actuals, 1920-21.	Actuals, 1921-22.	1922-23.		Budget, 1923-24.
					Budget.	Revised.	
EXPENDITURE.							
India	R	5,87,18,959	5,47,28,975	5,18,29,610	4,65,42,000	4,98,76,000	4,18,50,000
England	£	117,609	127,255	121,944	48,500	174,500	50,500
	R	11,76,090	12,72,559	12,19,440	4,85,000	17,45,000	5,05,000
TOTAL	R	5,98,95,049	5,60,01,534	5,30,49,050	4,70,27,000	5,16,21,000	4,23,55,000
RECEIPTS.							
India	R	16,27,429	16,86,464	21,45,676	15,30,000	38,40,000	16,29,000
TOTAL NET EXPENDITURE.	India R	5,70,91,530	5,30,42,511	4,96,83,934	4,50,12,000	4,60,36,000	4,02,21,000
	England R	11,76,090	12,72,559	12,19,440	4,85,000	17,45,000	5,05,000
	TOTAL R	5,82,67,620	5,43,15,070	5,09,03,374	4,54,97,000	4,77,81,000	4,07,26,000

NOTE.—Exchange on Home charges (i.e., difference between sterling figures converted at £1=R15 and £1=R10) has been added throughout to the Indian figures.

54. The increase of R22·84 lakhs in net expenditure is mainly due to *Revised, 1922-23,* larger outlay on roads, etc., in Waziristan, which is now likely to amount to R72 lakhs against R40 lakhs provided in the Budget, partly counterbalanced *compared with Budget, 1922-23.* by an increase in receipts from sale of lands, etc.

55. Of the net grant of R62 crores for military services for 1923-24, it is proposed to allot R4,07·26 lakhs to Military Works Services. This provision includes R69 lakhs for special expenditure in Waziristan. The decrease of R47·71 lakhs as compared with the Budget provision for 1922-23 is made up of (1) an increase of R29 lakhs in the grant for special works in Waziristan, (2) a reduction of about R55 lakhs in the scale of works in India, (3) the transfer to the Royal Air Force Section of the Army estimates for provision for works expenditure connected with the Force for which about R12 lakhs were included in the Budget for 1922-23, and (4) a reduction of R10 lakhs in the stocks of stores.

56. Budget for 1923-24 is less than the Revised estimate for 1922-23 by R70·55 lakhs. *Budget, 1923-24, compared with Revised, 1922-23.*

MILITARY SERVICES: SUMMARY.

		Actuals, 1919-1920.	Actuals, 1920-1921.	Actuals, 1921-1922.	1922-1923.		Budget, 1923-1924.	
					Budget.	Revised.		
EXPENDITURE.								
India	R	83,47,64,203	82,42,23,622	65,60,88,204	61,67,97,000	59,96,03,000	55,02,97,000	
England	£	7,553,628	11,620,125	12,117,866	12,083,300	12,137,600	10,019,000	
	R	7,55,36,260	11,62,01,259	12,11,78,660	12,08,33,000	12,13,76,000	10,01,90,000	
Total Expenditure	R	91,03,00,483	94,04,24,881	77,72,66,864	73,76,30,000	73,09,79,000	65,04,87,000	
RECEIPTS.								
India	R	3,75,80,315	6,29,62,606	5,69,24,666	5,07,24,000	4,16,06,000	2,65,09,000	
England	£	294,386	364,866	2,376,917	938,000	849,500	397,800	
	R	29,43,860	36,48,660	2,37,69,170	93,80,000	84,95,000	39,78,000	
Total Receipts	R	4,05,24,175	6,66,11,266	8,06,93,826	6,01,04,000	5,01,01,000	3,04,87,000	
NET EXPEN- DITURE.	(India	R	79,71,53,888	76,12,61,016	59,91,63,538	56,60,73,000	55,79,97,000	52,37,68,000
	England	R	7,25,92,420	11,25,52,599	9,74,09,490	11,14,53,000	11,28,81,000	9,62,12,000
	(Total	R	86,97,76,308	87,38,13,615	69,65,73,028	67,75,26,000	67,08,78,000	62,00,00,000

57. In the Budget estimate for 1922-23, a grant of R67,75.26 lakhs was allotted for net expenditure on military services. This figure was made up as follows:—

	Lakhs of rupees.
(1) For special expenditure in Waziristan	2,13,00
(2) For retirement of surplus officers	52,50
(3) For established charges of the Army (net)	65,09,76
	<u>67,75,26</u>

58. The Revised estimate falls short of the Budget provision by R66.48 lakhs. Special expenditure in Waziristan will exceed the Budget allotment by R1.72 lakhs owing to a continuance of unsettled conditions and a larger outlay on the construction of roads. The expenditure on the retirement of surplus officers and demobilization of surplus troops will be higher by R2.28 lakhs, in consequence of an accelerated progress with the retirement of surplus officers and the payment to the War Office of India's share of the charges connected with the disbandment of British troops which had become surplus consequent on reductions in the Indian establishment. On the other hand,

the established charges (net) will be less than the Budget provision by about R4½ crores owing chiefly to a continued shortage of personnel in the fighting and other services (1,34 lakhs); smaller payments in England on account of leave allowances and marriage allowances of British troops (67 lakhs); fall in prices of foodstuffs and other consumable military stores and larger consumption or disposal of stocks (2,10 lakhs); fall in the sick rate among soldiers and in the cost of diets (60 lakhs); lapse of the provision for payment to the War Office in respect of exchange concession in connection with the issue of sterling war gratuities to British troops in certain cases (38 lakhs); and a saving in the grant for the Territorial Force (10 lakhs). Non-effective charges will, however, exceed the Budget estimate by R56 lakhs. In these explanations sterling expenditure has been converted into rupees at £1 = R15.

59. A grant of R62 crores has been allotted for net expenditure on Military Services in 1923-24 made up as follows:—

	Lakhs of rupees.
(1) For special expenditure in Waziristan	1,69.50
(2) For retirement of surplus officers and personnel	73.47
(3) For established charges of the Army (<i>net</i>)	59,57.03
	62,00.00

60. The grant for the established charges allows for certain automatic reductions in expenditure owing to fall in prices, etc. It provides for consumption or disposal of surplus stores of various classes to the extent of about R2 crores; and it takes into account various economies which have already been introduced or are likely to be introduced in the course of the ensuing year.

61. The proposed grant for net expenditure on Military Services in 1923-24 is less than the Budget for 1922-23 by R5,75.26 lakhs, and less than the Revised estimate for 1922-23 by R5,03.78 lakhs.

WAYS AND MEANS.

HOME TREASURY.

62. The bulk of the payments made in England on account of the Government of India consists normally of expenditure chargeable to the Indian revenues ; and if such payments represented the only transactions, the Ways and Means programme would be a simple arrangement, as the whole of the expenditure would ordinarily be met by remittance of funds from India. The capital outlay on the construction of railways, however, necessitates heavy borrowing and a large portion of the money required has, when practicable, been raised in England, either direct or through the agency of Companies. Operations, connected with the Gold Standard and Paper Currency Reserves, and with the replacement of one particular form or item of direct or indirect debt by another further largely swell the receipts and charges of the Home treasury without affecting ordinarily the general Ways and Means programme. Recoveries are also being effected by the Secretary of State against the drawings of the Iraq administration on India, and to a smaller extent against disbursements made in India on behalf of His Majesty's Government. These recoveries represent in effect remittances from India to finance the Home treasury and reduce the amount of direct remittances which would otherwise be necessary.

63. The following is a summary of the transactions appearing in the Budget and Revised estimates of the Home Treasury for 1922-23, and in the Budget estimate of 1923-24 :—

	Budget, 1922-23.	Revised, 1922-23.	Budget, 1923-24.
	£	£	£
RECEIPTS.			
(1) Capital contributed by Railway Companies—			
For discharge of debentures	175,000	—221,500	...
(2) Deposits and Advances	—82,400	141,900	—358,000
(3) Remittance Account between England and India—			
(a) War transactions : Recoveries from War Office.	5,600,000	1,859,500	1,200,000
(b) Postal and Money Order transactions .	750,000	350,000	450,000
(c) Recoveries on account of drawings by Iraq administration on India.	6,000,000	2,664,000	2,750,000
(d) Transfer to Home Treasury from Gold Standard Reserve.	10,500,000	...	...
(e) Transfer to Home Treasury from Paper Currency Reserve.	5,846,800	...	...
Carried over .	28,789,400	4,793,900	4,042,000

	Budget, 1922-23.	Revised, 1922-23.	Budget, 1923-24.
RECEIPTS— <i>contd.</i>			
Brought forward	28,789,400	4,793,900	4,042,000
(f) Purchase of sterling from local bodies	...	1,501,400	...
(g) Other transactions	1,498,100	1,090,500	18,800
Total Receipts, excluding Council Bills and Loans.	30,287,500	7,385,800	4,060,800
DISBURSEMENTS.			
(4) Excess of Expenditure of the Central Government over Revenue.	30,338,800	30,252,100	28,742,300
(5) Expenditure incurred on behalf of Provincial Governments.	9,394,400	2,198,100	2,288,600
(6) Capital Expenditure not charged to Revenue—			
(a) Outlay on State Railways	18,460,000	10,448,000	19,000,000
(b) Outlay on Irrigation Works and Delhi	181,000	185,800	85,800
Total Disbursements	51,374,200	43,084,000	60,116,700
NET DISBURSEMENTS	21,086,700	35,698,200	46,055,900
Financed as follows—			
Remittances from India	...	...	28,000,000
Debt incurred	18,328,200	31,651,000	15,140,800
Council Bills	...	2,570,000	...
Reduction of cash balance	2,758,500	1,577,200	2,915,100
Total	21,086,700	35,698,200	46,055,900
Opening Balance	7,004,800	8,995,300	7,418,100
Closing Balance	4,246,300	7,418,100	4,503,000

64. The Revised estimate for the current year provides for a total disbursement by the Secretary of State and the High Commissioner for India of £43 1 millions, the main items being (i) £30·3 millions on account of net expenditure of the Central Government in England in excess of revenue, (ii) £2·2 millions, representing expenditure on behalf of Provincial Governments chargeable to their balances on deposit with the Central Government in India, and (iii) £10·4 millions on account of Railway capital outlay.

*Revised,
1922-23.*

65. Apart from public borrowings and drawings by Council Bills, the resources available for meeting the above disbursements total £7·4 millions, namely, (i) £1·9 million recovered from the War Office on account of disbursements made on their behalf in India and Mesopotamia; (ii) £2·7 millions recovered from the Colonial Office against drawings by the High Commissioner of Mesopotamia which have been met in India; (iii) £1·5 million paid to the Secretary of State by certain local bodies in India who raised sterling loans in England and received the rupee equivalent from Government in India; and (iv) £1·3 million representing various miscellaneous receipts.

66. The disbursements mentioned above exceed the resources by £35·7 millions, and the deficiency has been met almost entirely from public borrowings. The Secretary of State floated two sterling loans in the current year, a 5½ per cent. loan for £12½ millions at 4 per cent. discount and a 4½ per cent. loan for £20 millions at 15 per cent. discount. He also received about £2½ millions being the balance of the proceeds of the 5½ per cent. loan of £10 millions floated in December 1921. The aggregate loan receipts thus amount to £31·5 millions. Advantage was also taken of the strengthening of exchange in the beginning of January 1923 to place the Secretary of State in funds by the sale of Council Bills. Six weekly sales were effected in January and February of amounts varying from 50 to 75 lakhs a week, and the sale proceeds for the year have totalled £2·6 millions. The Secretary of State will obtain the balance of his requirements from his cash balances which will stand at £7·4 millions on the 31st March 1923 against £9 millions at the beginning of the year.

67. The broad variations in the above programme from that contemplated in the Budget are as follows. The receipts from sterling borrowings were £13·2 millions more and the sale of Councils and the purchase of sterling from local bodies which could not be anticipated in the Budget brought in a further £2·6 and £1·5 millions respectively. The outlay on State Railways is also expected to be about £8 millions less than anticipated. On the other hand, recoveries from the War Office and those on account of Mesopotamian drawings were less by £3·7 and £3·3 millions respectively. The aggregate betterness of £15·3 millions resulting from these variations has not only obviated the necessity for any withdrawals by the Secretary of State from the Paper Currency and Gold Standard Reserves for which £16·3 millions were provided in the Budget, but also enabled him to close the year with a cash balance of £7·4 millions (*i.e.*), £3·2 more than that assumed in the Budget.

Budget,
1923-24.

68. The disbursements by the Secretary of State and the High Commissioner in the coming year are now estimated at £50·1 millions, namely, excess of expenditure of the Central Government over revenue £28·7 millions, expenditure on behalf of Provincial Governments £2·3 millions, Railway capital outlay £19 millions and capital outlay on Irrigation works and Delhi £0·1 million.

69. It is expected that the Secretary of State will recover £1·2 million from the War Office and £2·8 millions from the Colonial Office on account of disbursements on their behalf in India and Mesopotamia while miscellaneous receipts will amount to £0·1 million—a total of £4·1 millions.

70. The deficiency in resources is thus £46 millions. The estimates provide for its being met to the extent of (i) £28 millions by remittances from

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India in one form or another, (ii) £15·1 millions by fresh sterling borrowings in England, and (iii) £2·9 millions by a reduction of the cash balances from £7·4 millions at the beginning of 1923-24 to £4·5 at its end. It is not possible to indicate at present the precise form which the remittances from India aggregating £28 millions will take as this must depend on circumstances from time to time during the year. The figure entered for sterling borrowings is also provisional and discretion is reserved to vary the amount according to circumstances.

71. The following are the details of the transactions of the Gold Standard Reserve in England :—

	1922-23.		1923-24.	<i>1922-23 and 1923-24. Gold Standard Reserve.</i>
	Budget.	Revised.	Budget.	
	£	£	£	
RECEIPTS.				
(a) Dividends on investments, discount on treasury bills, interest on loans at short notice, etc.	1,984,100	2,150,900	1,076,800	
(b) Exchequer Bonds, British treasury bills and Colonial Government securities, etc., paid off	118,850,100	139,091,200	140,991,000	
TOTAL	120,834,200	141,242,100	142,067,800	
CHARGES.				
Investments made	108,350,100	139,787,200	141,009,000	
Appropriation for the reduction of created securities in the Paper Currency Reserve in Budget 1922-23 and in Revised 1922-23 and to Revenue in Budget 1923-24	1,984,100	1,454,900	1,053,300	
Transfer to Treasury Balances	10,500,000	...	...
TOTAL	120,834,200	141,242,100	142,067,300	

72. The following statement shows the transactions and balances of the fund in the two years in England and India taken together :—

	Budget, 1922-23.	Revised, 1922-23.	Budget, 1923-24.
	£	£	£
OPENING BALANCE—			
(a) Invested (cost price)	39,403,500	39,445,700	40,141,700
(b) Uninvested—			
Cash in the Home treasury placed at short notice	4,900	1,800	1,800
	39,414,400	39,447,500	40,143,500

BUDGET FOR 1923-24.

Budget, 1922-23.	Revised, 1922-23.	Budget, 1923-24.
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CLOSING BALANCE—**In England—**

(a) Invested (cost price)	28,909,500	40,141,700	40,159,700
(b) Uninvested—			
Cash at the Bank of England	4,900	1,800	1,800
(c) Cash in India	10,500,000	...	...
	<u>39,414,400</u>	<u>40,143,500 (a)</u>	<u>40,161,500 (a)</u>

Difference between opening and closing balances representing interest, etc., on investments in England less appropriation for the reduction of created securities in the Paper Currency Reserve, or to Revenue (<i>vide</i> preceding paragraph)	696,000	15,000
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(a) These figures are based on the cost price of investments for the Reserve. The excess over £40 millions on the basis of current market prices will be appropriated for the reduction of created securities in the Paper Currency Reserve in 1922-23 and to revenue in 1923-24.

INDIA.

73. The following is a summary of the estimates of Ways and Means in India during 1922-23 and 1923-24 :—

	Budget Estimate, 1922-23.	Revised Estimate, 1923-23.	Budget Estimate, 1923-24.
	₹	₹	₹
RECEIPTS.			
1. Excess of Revenue of the Central Government over Expenditure charged to Revenue	21,17,60,000	12,99,86,000	29,55,09,000
2. Capital contributed by Railway Companies towards outlay on State Railways	8,75,000	-11,07,000	...
3. Unfunded Debt incurred—			
(a) Post Office Cash Certificates (net)	-2,00,00,000	-1,22,00,000	-47,00,000
(b) Savings Bank Deposits (net)	5,07,15,000	4,36,31,000	5,50,95,000
4. Other Deposits and Remittances (net)—			
(a) Exchange on Remittance Accounts	11,56,99,000	16,96,05,000	8,70,80,000
(b) Appropriation for reduction of created securities in the Paper Currency Reserve	-11,14,46,000	2,17,90,000	...
(b) Other transactions	-1,90,09,000	57,84,000	2,64,44,000
5. Balances of Provincial Governments	-1,96,00,000	3,77,18,000	1,08,74,000
TOTAL RECEIPTS EXCLUDING LOANS	46,99,04,000	39,52,07,000	47,03,02,000
DISBURSEMENTS.			
6. Capital Expenditure not charged to Revenue—			
(a) State Railways	11,54,00,000	9,71,25,000	19,63,95,000
(b) Irrigation Works	2,69,000	1,99,000	22,000
(c) Posts and Telegraphs	1,45,00,000	1,10,36,000	94,30,000
(d) Initial expenditure on new Capital at Delhi	-1,81,90,000	1,72,93,000	1,88,43,000
7. Permanent Debt discharged (net)	-9,90,89,000	11,96,49,000	6,98,52,000
8. Floating Debt discharged—			
(a) Treasury bills issued to the public (net)	11,00,00,000	32,91,00,000	5,50,00,000
(b) " " " " Paper Currency Reserve (net)	11,14,46,000	8,24,00,000	...
9. Loans to Provincial Governments (net)	5,50,00,000	11,43,11,000	13,46,77,000
10. Loans to Indian States, etc. (net)	-9,74,000	-18,99,000	-6,67,000
11. Remittance account between England and India—			
(a) Transfers through Currency	5,84,63,000	...	...
(b) Transfers through Gold Standard Reserve	10,50,00,000	...	...
(c) Remittances from India for financing Home Treasury	...	...	28,00,00,000
(d) Drawings by the Iraq administration recoverable in England	6,00,00,000	2,63,70,000	2,75,00,000
(e) Disbursements on behalf of the War Office (net)	4,38,00,000	1,90,00,000	1,20,00,000
(f) Other transactions (net)	1,81,91,000	4,12,53,000	85,88,000
12. Council Bills	...	2,57,00,000	...
TOTAL DISBURSEMENTS	80,83,79,000	88,15,87,000	81,18,37,000
NET DISBURSEMENTS	33,84,75,000	3,39,000	34,13,37,000
Financed as follows—			
Debt incurred	25,00,00,000	46,86,75,000	25,00,00,000
Reduction of (+) or addition to (-) Treasury Balances	8,84,75,000	1,76,55,000	9,13,37,000
TOTAL	33,84,75,000	48,63,30,000	34,13,37,000
Opening Balance	22,48,10,000	25,66,13,000	23,89,58,000
Closing Balance	13,63,35,000	23,89,58,000	14,76,21,000

BUDGET FOR 1923-24.

74. The following table shows the estimates of total capital outlay of the Central Government, net expenditure of the Central Government charged to revenue, and net transactions of Provincial Governments in the current and next years, and their distribution between India and England :—

	(In lakhs of rupees)					
	Revised, 1922-23.			Budget, 1923-24.		
	India inclusive of adjust- ment for exchange.	England.	Total.	India inclusive of adjust- ment for exchange.	England.	Total.
(i) Capital outlay not charged to Revenue—						
(a) Railways . . .	9,71	10,45	20,16	19,4	19,00	38,64
(b) Irrigation works .	2	...	2	...	...	...
(c) Indian Postal and Telegraph Department . . .	1,10	...	1,10	94	...	94
(d) New Capital at Delhi . . .	1,73	18	1,91	1,88	9	1,97
Total . . .	12,56	10,63	23,19	22,46	19,09	41,55
(ii) Net expenditure of Central Government charged to revenue . . .	—13,00	30,25	17,25	—29,55	28,74	—81
(iii) Net drawings of Provincial Governments . . .	—3,77	2,20	—1,57	—1,09	2,29	1,20
GRAND TOTAL . . .	—4,21	43,03	38,87	—8,18	50,12	41,94

75. The estimates relating to England shown in the above table have been dealt with in connection with the Ways and Means position of the Secretary of State. Those relating to India will be found in the table in the preceding paragraph summarising the Ways and Means position in India. The total in Revised against item (ii) represents the uncovered revenue deficit of the Central Government estimated for that year.

76. The following table shows the assets available for the reduction of created securities in the Paper Currency Reserve in the two years :—

	(In lakhs of rupees.)	
	Revised, 1922-23.	Budget, 1923-24.
(1) Excess in assets of Gold Standard Reserve over £40 millions	1,45	...
(2) Adjustment for exchange on (1)	73	...
	2,18	...

77. The interest realised on the investments of the Paper Currency Reserve was earmarked for this purpose by the Indian Paper Currency Amendment Act, XLV of 1920; the Indian Finance Act, 1922, however, suspended this provision temporarily for the two years ending 31st March 1923 and the Indian Finance Act, 1923, has suspended it for one year more. Credit for the interest has accordingly been taken to revenue in the current

year's Revised and next year's Budget. When the Act of 1920 was before the Legislature, an undertaking was given on behalf of Government that the assets of the Gold Standard Reserve in excess of £40 millions would be applied to the same purpose, but it has now been decided to credit them also to revenue during the next year.

78. The actual cancellation of created securities effected during the year amounted to Rs.24 lakhs; the excess of Rs.6,06 lakhs over the amount stated above as earmarked for this purpose was found from general resources. In consequence of the decision to credit to revenue both the interest on investments in the Paper Currency Reserve and the assets of the Gold Standard Reserve in excess of £40 millions, no sums will be specifically available next year for the reduction of created securities. The holdings of Indian Treasury bills in the Paper Currency Reserve will stand at Rs.49,65 lakhs at the close of this as well as the next year.

79. The following table summarises the disbursements in India in the current and next years as at present estimated :—

	(In lakhs of rupees.)	
	Revised, 1922-23.	Budget, 1923-24.
(i) Discharge of debt other than treasury bills	11,96	6,98
(ii) Discharge of treasury bills held by the public	32,91	5,50
(iii) Discharge of treasury bills held by the Paper Currency Reserve	8,24	..
(iv) Loans to Provincial Governments (net)	11,43	13,47
(v) Remittances from India for financing the Home Treasury	..	28,00
(vi) Payment of Council Bills	2,57	..
(vii) Disbursements on behalf of the War Office recoverable in England	1,90	1,20
(viii) Drawings by the Mesopotamian Administration against recoveries in England	2,64	2,75
(ix) Miscellaneous deposits, advances and remit- tances	1,30	-1,84
Total	72,95	56,06

80. The details of the entries against item (i) in the preceding paragraph are as follows :—

	(In lakhs of rupees.)	
	Revised, 1922-23.	Budget, 1923-24.
(a) Discharge of debt through purchases for sinking funds	1,92	1,77
(b) Annual instalment in repayment of Gwalior 4 per cent. loan of 1887	12	12
(c) War Bonds converted into current loan or dis- charged	7,72	2,34
(d) Discharge of 4 per cent. Terminable Loan	2,20	2,75
Total	11,96	6,98

81. The resources available in the two years for meeting the above disbursements are estimated as follows:—

	(In lakhs of rupees.)	
	Revised, 1922-23.	Budget, 1923-24.
(i) Proceeds of rupee loan in India	45,87	25,00
(ii) Net receipts from Savings Bank deposits and Post Office cash certificates	3,14	5,04
(iii) Net credits from exchange adjustments—vide paragraph 44	16,95	8,71
(iv) Excess of revenue in India over expenditure including Provincial drawings (net)—vide paragraph 74	4,21	8,18
Total	71,18	46,93

1922-23.
Rupee
loans.

82. The total receipts from the new rupee loan, subscriptions for which were received from the 3rd July to the 14th August 1922, amounted to Rs 46,87 lakhs, inclusive of Rs 1,04 lakhs from the post office section of the loan. War bonds, 1922 of a total value of Rs 3,30 lakhs and treasury bills of a discounted value of Rs 1,23 lakhs were received in payment of subscriptions to the loan. The gross receipts and payments on account of cash certificates are expected to amount to Rs 78 lakhs and Rs 2 crores respectively during the current year, the net payment thus amounting to Rs 1,22 lakhs.

83. As in the case of the sterling borrowings, the entry relating to the proceeds of the rupee loan to be raised next year is provisional and Government reserves discretion to vary the borrowing programme during the year.

Post
Office
Savings
Banks,
etc.

84. The following table gives details of the transactions of Savings Banks and Provident Funds during a series of years, and the estimated transactions for 1922-23 and 1923-24:—

Year.	Securities of Railway Companies' Provident Funds trans- ferred to Government.	Net additions to deposits, cash.	Interest.	Total addition.
	R	R	R	R
1911-12	...	1,95,69,000	67,77,000	2,63,46,000
1912-13	...	1,68,26,000	73,79,000	2,42,05,000
1913-14	...	2,37,05,000	84,07,000	3,21,12,000
1914-15	...	-8,25,53,000	75,82,000	-7,56,71,000
1915-16	...	57,38,000	70,96,000	1,28,34,000
1916-17	...	1,35,61,000	77,07,000	2,12,68,000
1917-18	4,04,00,000	41,50,000	94,65,000	5,40,45,000
1918-19	3,38,37,000	2,47,14,000	1,22,65,000	7,12,16,000
1919-20	...	1,96,68,000	1,40,93,000	3,37,61,000
1920-21	...	2,06,23,000	1,73,18,000	3,79,41,000
1921-22	2,18,00,000	55,50,000	2,17,99,000	4,91,49,000
1922-23 (Revised)	...	1,98,62,000	2,22,61,000	4,19,23,000
1923-24 (Budget)	...	2,88,63,000	2,43,13,000	5,32,06,000

85. The Budget estimate assumed that there would be a net deposit of ₹1,00 lakhs into postal savings banks in the current year; it is now expected that there will be a net deposit of ₹41 lakhs. The Budget estimate for 1923-24 provides for a net deposit of ₹1,00 lakhs into postal savings banks and for a growth of ₹1,89 lakhs in the deposits in the various provident funds for Government servants and in the similar funds of railway companies.

86. The disbursements enumerated in paragraph 79 exceed the available resources detailed in paragraph 81 by ₹1,77 lakhs in the current year and ₹9,13 lakhs for next year. The cash balance in India at the end of 1922-23 will thus stand at ₹23,89 lakhs against ₹25,66 lakhs at the beginning of the year and will be reduced to ₹14,76 lakhs by the end of 1923-24. The outstandings of treasury bills with the public amounted to ₹53,97 lakhs on the 1st April 1922; it is expected that they will stand at ₹21,06 lakhs on the 31st March 1923 and at ₹15,56 lakhs on the 31st March 1924.

E. M. COOK.

The 29th March 1923.

APPENDIX I.

EXPLANATORY MEMORANDUM ON THE RAILWAY BUDGET
FOR 1923-24.

In accordance with the undertaking given by Government last year in the debate on the Resolution regarding the adoption of the Railway Finance Committee's proposals in respect to the separation of the Railway Budget, this memorandum has been prepared in order to bring out and explain the main features of the railway budget as embodied in the Statements of Demands passed by the Legislature.

PART I.—CAPITAL.

Head of Account "53—Construction of State Railways."

2. In pursuance of the recommendation of the Railway Finance Committee composed of members selected from the Legislative Assembly and the Council of State, it was decided by the Legislative Assembly in March 1922 that the capital programme of railway expenditure should be fixed for five years in advance, provision being made for an expenditure of Rs 30 crores per annum or a total of Rs 150 crores during the quinquennium. The programme was to be strictly adhered to subject to the understanding that a war or other unforeseen contingency radically disturbing the money market might render it necessary to curtail the operations of any one year. The whole of this sum was to be devoted to the rehabilitation and improvement of the existing lines, special stress being laid on the improvement of the conditions of travel of third class passengers, and to the completion of lines already in hand. It was also decided that there was to be no lapse of money voted for any one year but not spent within the year, such sums being carried to the credit of the Railway Administrations from year to year to the end of the quinquennium. In accordance with this decision the programme for capital expenditure for the current year was framed for Rs 30 crores. Owing principally to delay in the delivery of materials and to a smaller extent to fall in prices, the expenditure during the year is expected to fall short of the allotment made. In the latest estimate the expenditure is placed at Rs 20.16 crores, thereby involving a lapse of Rs 9.84 crores. Out of this a sum of Rs 8.64 crores only (being the lapse anticipated in the second edition of the estimates) has been carried forward to the year 1923-24, and the remainder will be provided for during the next of the quinquennium. Apart from the special causes already mentioned, the failure to utilise the full grant available in the first year of the new policy is in a large measure attributable to the fact that Railway Administrations had insufficient time to frame their programmes and send forward the necessary orders for material. To this extent it is hoped that measures which have since been taken will provide for the grant being fully utilised in future. The grant for 1923-24 has, therefore, been fixed at Rs. 38.64 crores made up of—

	R
(i) Ordinary grant for the year	30.00 crores.
(ii) Carried forward from 1922-23	8.64 "
Total	38.64 "

3. The details of the total capital expenditure on State Railways worked by the State and Companies in each of the three years from 1921-22 to 1923-24 are as follows:—

Items.	Actuals, 1921-22.	1922-23.		1923-24, Budget.
		Budget.	Revised.	
(a) England	£ 13,564,663	18,460,000	10,448,000	19,000,000
	R 13,56,46,629	18,46,00,000	10,44,80,000	19,00,00,000
(b) India	R 2,42,12,734	2,31,00,000	4,48,85,000	10,13,95,000
	R 17,98,59,365	20,77,00,000	14,93,65,000	29,13,95,000
Exchange	R 6,87,79,572	9,23,00,000	5,22,40,000	9,50,00,000
Total	R 22,96,38,935	30,00,00,000	20,16,05,000	38,63,95,000

4. The following table compares the allotments made for open lines and lines under construction in 1923-24 with figures for previous years:—

Items.	Actuals, 1921-22.	Revised, 1922-23.	Budget, 1923-24.
	R	R	R
(1) Open lines including rolling stock	14,55,97,863	12,87,30,000	26,33,48,000
(2) Lines under construction—			
(a) Started in previous year	1,40,38,000	1,95,71,000	2,80,47,000
(b) Started in current year	2,24,000	10,84,000	
	15,98,52,863	14,93,85,000	29,13,95,000
Exchange	6,97,79,572	5,22,40,000	9,50,00,000
Total	22,96,38,935	20,16,05,000	38,63,95,000

5. The details of the budget grant for 1923-24 by railways are shown below:—

(In thousands of rupees.)

Railway.	OPEN LINES.			CONSTRUCTION OF	
	Rolling Stock.	Other items.	Total.	Lines in progress.	New lines.
	R	R	R	R	R
STATE RAILWAYS WORKED BY STATE.					
1. North-Western Railway:—					
(i) Main line	1,94,81	75,67	2,70,48		
(ii) Nushki extension	...	6,00	6,00		
(iii) Khyber Railway	...	...	...	53,37	
2. Delhi (New Capital) Railway Works Scheme.	...	26,00	26,00		
3. Eastern Bengal	61,00	40,00	1,01,00		
4. Oudh and Rohilkhand	55,83	37,33	93,16		
5. Aien Railway	31	39	70		
6. Jodhpur-Hyderabad (British Section).	..	2,87	2,87		
7. Stores Transactions	...	...	...
TOTAL	3,11,95	1,88,26	5,00,21	53,37	...
STATE RAILWAYS WORKED BY COMPANIES.					
9. Assam Bengal (including land)	39,13	-1,67	37,46		
10. Bengal-Nagpur:—					
(i) Open line	1,18,50	1,34,92	2,53,42		
(ii) Amda-Jamda	...	...	...	28,33	
(iii) Bermo Duneya Section	...	...	...	3,63	
(iv) South Karanpura Coal Fields	...	...	...	11,41	
(v) Talchir Coal Fields	...	...	...	45,00	
(vi) Hesa Chandil	...	...	...	45,00	
11. Bewada Extension	...	3,86	3,86		
12. Bombay, Baroda and Central India:—					
(i) Main line	1,01,93	-1,46,57	2,48,50		
(ii) Dholka-Dhanduka	...	...	...	4,76	
13. Burma:—					
(i) Main line	14,69	15,04	29,73		
(ii) Pegu-Moulmein and Henzada-Kyangin Extensions.	21,53	1,25	22,78		
(iii) Southern Shan States Railway.	..	75	75		
14. East Indian:—					
(i) Open line	2,48,56	42,05	2,90,61		
(ii) Bermo Duneya Section	...	...	...	2,52	
(iii) South Karanpura Coal Fields	...	...	...	10,34	
Carried over	5,44,34	3,42,77	8,87,11	1,50,99	
TOTAL	3,11,95	1,88,26	5,00,21	53,37	...

(In thousands of rupees.)

Railway.	OPEN LINES.			CONSTRUCTION OF	
	Rolling Stock.	Other items.	Total.	Lines in progress.	New lines.
	R	R	R	R	R
Brought forward	3,11,95	1,88,26	5,00,21	58,37	...
15. Great Indian Peninsula :—	5,44,34	3,42,77	8,87,11	1,50,99	
(i) Main line	2,23,78	53	2,24,31		
(ii) Agra-Delhi Chord	...	1,92	1,92		
(iii) Bhopal State	...	2,48	2,48		
(iv) Cawpore-Banda	...	95	95		
(v) Baran-Kotal	...	10	10		
(vi) Itarsi-Nagpur	...	...	...	45,36	
(vii) Harbeur Branch	...	...	...	16,55	
(viii) Majri-Rajur	...	...	...	14,20	
16. South Indian :—					
(i) Main line	48,39	64,90	1,13,29		
(ii) Coonoor-Ootacamund	71	81	1,52		
(iii) Tinnevely-Quilon—British Section.	...	1,10	1,10		
(iv) Do. Indian State Section.	90	20	1,10		
17. Tirhoot	6,85	3,68	10,53		
18. Lucknow-Bareilly	57	1,18	1,75		
19. Madras and Southern Mahratta :—					
(i) Open line	97,48	47,42	1,44,90		
(ii) Guntur-Tenali	...	5	5		
(iii) I/hone Kurnool	...	5	5		
	9,23,02	4,68,14	13,91,16	2,27,10	...
Reserve	...	78,16	78,16	...	...
	12,34,97	7,34,56	19,69,53	2,80,47	...
Exchange	...	...	7,49,37	63	...
TOTAL	...	...	27,18,90	2,81,10	...
Carry-forward from 1922-23 to be re-allotted in 1923-24.	...	...	8,63,95	...	...
GRAND TOTAL	...	...	35,82,85	2,81,10	...

6. The above figures explain the distribution of the 30-crore allotment for 1923-24. The carry-forward Rs 8.64 crores represents the incomplete portion of the programme to which the Legislature has already accorded approval and which need not, therefore, be further explained. The distribution of Rs 30 crores over open line works, rolling stock and new construction is shown below :—

	R
Open line facilities	18,23,88 lakhs.
Rolling stock	12,34,97 "
New construction	2,81,10 "
Suspense	—3,39,45 "
Total	30,06,00 "

7. *Improved facilities.*—It will be seen that over half the total grant is to be devoted to the improvement of general open line facilities. Under this heading are included larger yards, longer platforms, extensions to stations, double lines and many similar improvements which are so urgently required on every railway in India. Taking the main heads, the distribution proposed is as follows :—

	R
(a) Doubling and quadrupling	1,72.56 lakhs.
(b) Improved rails and sleepers	1,06.20 „
(c) Strengthening of bridges	87.10 „
(d) Remodelling of station yards	2,97.64 „
(e) Additional quarters for staff	1,75.72 „
(f) Workshops and stores buildings	2,53.12 „
(g) Plant and machinery	1,71.00 „
(h) Sidings, diversions, links, etc.	86.07 „
(i) Other works	4,73.97 „
Total	18,23.38 „

Of the doubling and quadrupling some of the most important items are on the Bengal Nagpur railway where it is proposed to spend R35 lakhs on doubling the Anara-Kandra, Sini-Golkera, Mohuda-Bhojudih-Gowai and Khargpur-Cossye sections in order to provide additional facilities for movement of coal traffic and thereby improve the capacity of the line for all other traffic. Apart from this the Bombay, Baroda and Central India Railway proposes to devote R40 lakhs to the quadrupling of their suburban section from Grant Road to Borivli where there has been congestion for some time. The East Indian Railway proposes to spend about half a crore of rupees, mostly on the Grand Chord doubling which will considerably relieve the congestion now occurring all over the main line. The North Western Railway will double the sections between Deona and Chak Pirana, also from Dina to Domeli and Mandra to Gujar Khan and propose to spend 14 lakhs on these works. The South Indian Railway will spend R9½ lakhs on the doubling of Madras-Tambaram section. The Burma Railways propose to spend R19 lakhs on the doubling of the line between Pyuntaza and Kyungon.

The second item is one of very great importance, since the existing track is on many lines below the standard required for modern heavy traffic. The work to be done in this respect extends to every line in the country. A similar remark applies with even more force to the third item “strengthening of bridges”, as many of our existing bridges are below the standard required by modern heavy locomotives and stock and this restricts the movement of traffic.

The remodelling of yards and stations represents a very urgent necessity both in the interests of movement of traffic and the economic use of stock. The more important extensions necessary are terminal arrangements

at Grant Road, Bombay (45 lakhs), Ahmedabad (12 lakhs), Bulsar (4 lakhs), Bandra (5 lakhs), Victoria Terminus (6 lakhs), Mazgaon (5.81 lakhs), Poona (7 lakhs), Nagpur (6 lakhs), Gwalior (4.80 lakhs), Bhajuli (7.30 lakhs), Tatanagar (7 lakhs), Anara (10.75 lakhs), Moghalserai (10 lakhs), and Peshawar (8 lakhs).

The necessity for additional quarters for the staff is represented by every line in India, and in the interests of the hardworked employes, who are at present in many cases housed in inadequate and unsuitable quarters or who have to make their own arrangements in circumstances of great difficulty, it is imperative that a liberal sum shall be spent on this object with the least possible delay.

(e) Additional quarters for staff.

(f) Workshops and stores buildings.

(g) Plant and Machinery.

The extension of workshops and stores buildings and the provision of additional plant and machinery at a cost of R14 crores have been rendered necessary in order to deal adequately and expeditiously with the existing rolling stock and the anticipated increase in numbers. The most important item under this head is the South Indian Railway shops at Trichinopoly; the construction of these workshops which are intended to deal with both broad and metre gauge stock is estimated to cost over R3 crores, and a sum of R112.09 lakhs is proposed to be spent on it in 1923-24. The Great Indian Peninsula Railway proposed to spend R45.25 lakhs on the electrification of their suburban sections.

Before leaving the subject of improved traffic facilities, mention may be made of the progress made in re-laying the lines dismantled during the war. Of the 420 miles of railway lines dismantled, 141 miles have already been restored, leaving 279 miles to be yet re-laid. Of these, the most important is the Sutlej Valley Railway, 208 miles in length, which is being re-laid and it is anticipated that the Kasur Pakpattan section will be opened in the course of the next few months. During the year 1923-24 the re-laying of the Bhagalpur-Bausi Railway, 32 miles long, will be taken in hand and will be completed as soon as secondhand materials are available.

8. *Rolling stock*.—A total sum of R12.35 crores is proposed to be spent on the provision of additional stock and on the improvement of the existing stock. The distribution of this amount between the various items is shown below:—

	R lakhs.
Engines	3,04.09
Coaches	2,91.74
Wagons	5,00.72
Miscellaneous	1,33.42
Total	12,34.97

This expenditure covers both additional vehicles and engines and the cost of improvements to existing stock. It is anticipated that the railways will be able to place on the line during the year 1923-24, 189 extra engines, 1,270 additional coaches and 8,567 wagons (in terms of four-wheelers). It is hoped that the addition of these numbers to the existing stock, coupled with the

provision of improved facilities for the movement of the existing stock, will effect a sensible improvement in the existing conditions of travel and transport.

9. *New construction.*—No new lines are proposed to be started but an expenditure of Rs 132.10 lakhs is required for those now under construction.

Of this, Rs 132.10 lakhs will be spent on the following lines which serve important coal areas :—

	R lakhs.
(1) Bokaro-Rangarh Extension	6.15
(2) South Karanpura	21.75
(3) Talchir Coalfields Railway	45.00
(4) Hesia Chandil	45.00
(5) Majri-Bajur	14.20
Total	132.10

A sum of Rs 54 lakhs has been allotted for the Khyber Railway. Rs 15.36 lakhs will be spent on the completion of the remaining portion of the Itarsi-Nagpur Railway—an important line which has for unavoidable reasons taken an unusually long time to construct. The Amda Jāmda Railway which will serve rich iron ore deposits in the province of Bihar and Orissa, will shortly be ready for opening, and it is proposed to spend Rs 28.53 lakhs on the completion of works in hand. In Bombay, a short overhead line is being constructed to provide for the suburban traffic and the provision made is Rs 16.55 lakhs.

10. *Facilities for third class passengers.*—Great public interest naturally attaches to works which will directly or indirectly benefit the conditions of travel of the lower class passengers. To a considerable extent the third class passenger shares in the benefits which will follow from the general improvement in stock and facilities which will render possible a more extended service. And this is particularly the case in respect to overcrowding which can only be alleviated by more frequent and commodious trains than are at present possible owing to insufficiency of stock, congested lines, short platforms and all the other various disabilities which hinder the provision of facilities for travel the necessity for which is fully realised. Apart, however, from these indirect measures of improvement, special attention has been paid in framing the programmes of all lines to measures which will afford direct relief.

11. Taking first the provision of carriages. The number of third class carriages on all railways on 31st March 1922 was 17,868 in terms of four-wheelers. The number of additional vehicles which it is hoped will be placed on the line by the end of the year is 1,058. The result of the present programme will be to add further 1,091, bringing the total number up to 20,017 by the end of the year 1923-24. Apart from the increase in numbers, improvements in design are being simultaneously effected. A few facts in respect of the improved type of third class stock may not be without interest. On the Great Indian Peninsula Railway 59 carriages of an improved type are being provided in the year 1922-23, and 47 more will be put on the line in the following year, the cost being about Rs 22 lakhs. These coaches will be bogies each 68 feet long by 10 feet wide to accommodate 83 passengers; the seats will run lengthways; each carriage will be fitted with four latrines of a new and

greatly improved design. An illustration of this carriage was reproduced in the Administration Report for 1921-22. On the East Indian Railway arrangements are being made to complete the fitting up of a rake of third class carriages which embody a novelty in providing drinking water equipment. These carriages will be put into service as a regular passenger train as early as possible. This experiment of having drinking water for the third class travelling public on the train itself will be watched with interest. The Eastern Bengal Railway is also experimenting with a new type. This railway is constructing 11 bogie coaches which will accommodate 1,037 third class passengers. Each of these carriages will be divided into four compartments with latrine accommodation for each compartment; for water-supply roof tanks holding a total capacity of 80 gallons are provided; washhand basins are fitted in each lavatory. For suburban traffic this railway is providing coaches with seats arranged laterally with half backs, with a view to allow free circulation of air. These coaches will be built with turn-under sides, thus increasing the seating accommodation.

12. Apart from rolling stock, a great deal of attention is now being devoted on all lines to the question of general facilities of travel with special reference to third class passengers. Under orders of the Railway Board special reports on this matter have been submitted by all Government Inspectors and arrangements are being made, wherever possible, to give effect to their suggestions for improvement. On some lines, notably the Great Indian Peninsula Railway, further special investigation has been initiated by the railways themselves. It is impossible within the compass of this Memorandum to give a comprehensive description of all that is contemplated in this direction, but in view of the interest taken in this matter a few details of the schemes which have been initiated on some of the principal lines as the result of the investigation are embodied in the Annexure to this Memorandum.

PART II.—REVENUE.

HEADS OF ACCOUNT "XI AND XII AND 10 TO 12—RAILWAY REVENUE ACCOUNT."

13. The statement below brings out the main features of the Railway revenue budget :—

	Actuals, 1921-22.	Revised, 1922-23.	Budget, 1923-24.
	B	R	R
STATE RAILWAYS—			
Gross Receipts	81,69,27,377	92,07,26,000	95,57,24,000
<i>Deduct—</i>			
Working Expenses	65,66,78,003	65,83,85,000	63,01,50,000
Surplus profits paid to Companies, etc.	1,06,40,122	69,07,000	98,77,000
Net Receipts — Carried over	14,96,09,252	25,55,34,000	31,56,97,000

	Actuals, 1921-22.	Revised, 1922-23.	Budget, 1923-24.
	R	R	R
Net Receipts—Brought forward	14,96,00,252	25,55,34,000	31,56,97,000
Interest and capital redemption charges—			
Annuities in purchase of Railways	5,07,83,728	5,03,62,000	5,03,62,000
Sinking Funds	43,35,431	46,11,000	49,10,000
Interest on Debt	15,63,48,047	16,96,83,000	18,77,90,000
Interest on Capital contributed by Companies.	3,35,17,355	3,32,04,000	3,22,30,000
	24,49,84,561	25,78,60,000	27,52,92,000
Net Result	—9,53,75,309	—23,36,000	+4,01,05,000
Other Receipts	24,73,577	25,97,000	19,61,000
Other Charges	—20,01,989	45,31,000	38,40,000
Net Result	44,75,566	—19,34,000	—18,79,000
TOTAL NET RESULT	—9,08,99,743	—42,60,000	3,85,36,000
Redemption of capital from revenue	1,13,74,610	1,17,65,000	1,21,70,000
Capital at charge at end of each year	5,44,30,50,333	5,62,92,73,000	5,99,99,52,000
Miles open on the 1st April	26,799	26,951	27,108

14. *Receipts 1922-23.*—In framing the budget estimate for 1922-23, the gross traffic receipts were placed at R99½ crores, being 17½ crores in excess of the revised estimate for 1921-22. This figure was intended to cover the equivalent of freight tax to be obtained by an all-round enhancement in rates on goods, an increase of R6 crores in passenger fares which was to be brought about by an increase in fares by about 25 per cent., besides the usual improvement in receipts on account of the normal growth of traffic from year to year.

It was not possible to bring the enhancements in passengers' fares into force with effect from the commencement of the year, and as a matter of fact they were brought into force by the several railway administrations with effect from different dates. To end of December 1922, *i.e.*, for the first nine

months of the year, the number of passengers carried and the receipts realised from them compare as follows with those for the corresponding period of last year :—

(In thousands.)

Passengers.	1921-22.		1922-23.		INCREASE + DECREASE—	
	Number.	Earnings.	Number.	Earnings.	Number	Earnings.
		R		R		R
I class passenger.	1,019	96,17	690	99,03	—129	+2,86
II „ „ „	7,155	1,67,52	6,515	1,62,27	—640	—5,25
Inter „ „ „	7,781	1,14,22	6,826	1,08,29	—955	—5,93
III „ „ „	358,596	20,81,89	357,544	22,37,28	—652	+2,05,39
Total	374,551	24,09,80	372,175	26,06,87	—2,376	+1,97,07

It will be seen that the number of passengers has decreased by 2,376 thousands, i.e., about 63 per cent. of the number carried in the year 1921-22, though there has been an increase of R1-97 crores in the receipts. It has been suggested that this reduction is to some extent due to the increase in fares, but the falling-off in the normal rate of increase of passengers was apparent before the fares were increased, and it is probable therefore that the general economic factors of poor trade and increased cost of living have been largely responsible for the decrease.

For similar reasons the goods traffic has not come up to expectations. The total weight of traffic carried was 53-051 millions of tons during the first nine months of the year, as compared with 57-639 millions of tons during the corresponding period of 1921-22, the increase being 412,000 tons. The total receipts were R38-91 crores as compared with R34-50 crores realised during 1921-22, the increase being R4-11 crores. Making allowance for the freight tax which was accounted for separately in the year 1921-22, and is now merged in the goods receipts, there has not been any appreciable increase in the total receipts so far.

The traffic has during the last few weeks shown indications of improvement and, taking all the factors into consideration, the revised estimate has been placed at R92 crores, being R7½ crores less than the budget estimate.

15. Receipts 1923-24.—The gross receipts have been estimated at R95½ crores, being R3½ crores more than the revised estimate for the year 1922-23. This is based on the fact that the enhanced fares will be in force throughout the year and on the assumption based on present favourable indications that trade may be expected, in some degree at any rate, to revive.

16. *Working Expenses.*—The budget estimate for working expenses of State-owned railways during 1922-23, was placed at R68 06 crores, and the revised estimate now proposed is R65 8½ crores involving a saving of R2 22 crores. For 1923-24 the budget provision has been fixed at R63 02 crores, made up as follows :—

	R lakhs.
(a) Ordinary expense (excluding fuel)	49,28,09
(b) Fuel	8,53,69
(c) Programme revenue	9,85,82
	<hr/> 67,67,60
<i>Deduct—non-budget lines</i>	8,38,98
Suspense	41,30
	<hr/> 63,87,32
<i>Deduct—Lapse anticipated under programme revenue</i>	35,82
	<hr/> <u>63,01,50</u>

The Retrenchment Committee recommended that, in view of the general financial position, a reduction should be made in railway working expenses. The Government of India decided to accept this recommendation, and made a reduction in the estimates of 3 crores of rupees. A further reduction of 50 lakhs was made by the Legislature.

17. *Ordinary expenses.*—Excluding fuel, which is dealt with in the next paragraph, the total ordinary expenses are expected to amount to over R51 crores in 1922-23. This is R59 lakhs in excess of the actual expenditure in the preceding year and R1½ crores more than the budget provision for 1922-23. In the year 1923-24 it is proposed to provide for an expenditure of over R49½ crores, which is considerably less than the actuals of last year and the revised estimate for 1922-23. The distribution of the expenditure between the three main sub-divisions of this head is shown below :—

	Actual expenditure in 1921-22.	Revised estimate, 1922-23.	Budget, estimate, 1923-24.
	R crores.	R crores.	R crores.
(a) Maintenance	17 49	17 14	16 79
(b) General superintendence	7 54	7 85	8 01
(c) Running expenses and general charges, etc.	25 43	26 10	24 38
Total	<hr/> 50 51	<hr/> 51 10	<hr/> 49 68
Lump sum reduction	...	...	40
			<hr/> <u>49 23</u>

The gradual reduction of expenditure on ordinary repairs and maintenance of the property is mainly due to fall in prices of materials and to economical methods introduced as a result of the economy campaign which has been carried on by all railway administrations during 1922-23. The rise in the cost of General Superintendence from R7.54 crores in 1921-22 to R7.86 crores in 1922-23 and to R8 crores in the next year is mainly due to annual increments due for approved service of employees, the great majority of whom now are on time-scales of pay. No revisions of any great importance in the scales of pay were sanctioned in 1922-23 nor are any contemplated in 1923-24; slight changes may, however, possibly be made where it is considered absolutely necessary to do so. The numbers of superior staff have on some railways been slightly reduced, while on others the cadres have had to be strengthened to keep abreast with increased work. Increases of this class are, however, very carefully scrutinised and are only permitted where clearly unavoidable.

The increase of expenditure under the head "running expenses and general charges" in 1922-23 is made up of a number of items. About half of the excess is due to payments by the East Indian Railway to other railways for the use of rolling stock taken on hire. The annual increments granted to drivers and firemen, station and train staff and the consequential increase in the provident fund bonus allowed are also responsible for increased expenditure. In 1923-24 it is proposed to provide for an expenditure of R24.88 crores under this head, which is about R1½ crore less than the provision for 1922-23.

18. *Fuel*.—The provision in the budget for fuel in 1922-23 was placed at R10.02 crores as compared with the actual expenditure of R9.79 crores in 1921-22. In the revised estimate it has been reduced to R9.64 crores due to a smaller quantity of imported coal having been purchased. The budget for 1923-24 provides R8.69 crores. The only railway which proposes to purchase imported coal during 1923-24 is the Madras and Southern Mahratta Railway, and its orders will amount to 60,000 tons. This purchase is justified by the fact that the price per ton of the foreign supply compares favourably with the price of Bengal coal with freight charges included. All the other railways expect to use Indian coal only, and there is consequently a reduction of over 1 crore of rupees in expenditure as compared with the revised estimate for 1922-23, in spite of the fact that the contract price of Indian coal for supply during 1923-24 is somewhat higher than during 1922-23.

It may be stated here that steps are contemplated with a view to increase local supplies and avoid recourse to import of coal. In order to increase the output from the Kargali colliery, which is worked by the Great Indian Peninsula Railway, it has been proposed to work it by means of electricity, and an estimate for R24.76 lakhs has been submitted to the Secretary of State for sanction. The ultimate output will be increased to one million tons of coal per annum representing more than 75 per cent. of the present-day requirements of this railway and the saving in the fuel bill is estimated at about R40 lakhs per annum. Steps are also being taken to acquire additional collieries for railway purposes. In the southern portion of the Karanpura coalfields an area of 6,500 bighas has been investigated and proved by a prospecting survey to contain at least 150 million tons of coal. A mining lease of this area has been acquired at a cost of R11.90 lakhs and

it is proposed to work it as a State colliery for the use of the three State-worked railways. The Secretary of State has sanctioned an expenditure of Rs 49.54 lakhs for the acquisition and development of Jairangdih colliery for the joint use of the Bombay, Baroda and Central India and the Madras and Southern Mahratta Railways. The output of coal is estimated at 650,000 tons by the third year of development, increasing by degrees to 1,300,000 tons per annum from the fifteenth year. The Bengal-Nagpur Railway is carrying out prospecting surveys in the Talchir and Karanpura coalfields, and the Madras and Southern Mahratta Railway also proposes to investigate an area in the former field. Negotiations are in progress with a view to the Burma Railways obtaining their coal supply from the Kalaw coalfields which have been leased and are being surveyed by a private company.

The new coal lines already referred to which have been taken in hand in 1922-23 will also help in this direction.

As a measure of general economy Coal Saving Committees have been constituted on all lines with a view to exploring every possible avenue of saving.

19. *Programme Revenue.*—The budget provision for 1922-23 under the head "Programme Revenue" was Rs 11.81 crores and the revised estimate provides for an expenditure of Rs 8.97 crores. The deficiency is mostly due to the non-arrival of necessary materials and also to some extent to fall in prices. The budget has been framed for a net expenditure of 9 crores allowing for a possible saving in the estimate of Rs 5.82 lakhs.

The expenditure under this head is intended primarily to make good wear and tear of the property; to provide for the renewal of rails, sleepers, bridges and stock which are worn out or no longer suitable for present heavy traffic. The Railway Finance Committee considered this matter and recommended that early steps should be taken to calculate the rates of depreciation which should be allowed for the various classes of railway plant and material in order that the recurrence of the deterioration which had taken place in recent years might be avoided and depreciation of renewal and repairs provided for automatically. The question was also considered by the Central Advisory Council for Railways who expressed the opinion that, if a proper depreciation fund were started, adequate provision for the service of the fund should be a standing charge against the revenue budget. A committee of experienced officers has been at work examining the question and their report has only recently been received and is under consideration.

In view of the unavoidable depreciation of railway property which took place during the years of the war, this head of expenditure represents one of the most important items in the Railway Budget, for it has been made quite clear by all the evidence which was given before the Acworth Committee that the present condition of the railways, which exhibits decreased earning power and inability to deal adequately with the traffic offering, is largely due to the impossibility of providing adequate funds for regularly making good depreciated material, plant and equipment. Further it is important that the intimate connection between this part of the programme and capital should not be overlooked. In modern conditions nearly every renewal involves an element of betterment and if full use is to be made of the 30 crores per annum, which the Assembly has decided shall be spent on

the improvement of railways, it is essential that the process of renewal on which the improvement is dependent shall be correspondingly financed.

20. *Surplus Profits paid to Companies.*—The increase of Rs. 97 lakhs in the revised estimate is due to the larger net earnings of some railways in the last quarter of 1921-22 than provided for in the revised estimate of that year, upon which the budget estimate of surplus profits of the current year was based.

The large increase in the budget estimate for 1923-24 as compared with the revised estimate for 1922-23 is due to the probable estimated net earnings of 1922-23, being larger than those of 1921-22.

21. *Interest charges, etc.*—The excess under Interest on debt is explained in Finance Department memorandum.

22. *Other receipts.*—The receipts shown under this head represent the Government share of surplus profits of the Rohilkund and Kumaon, Southern Punjab, Amritsar-Patti, Hardwar-Dehra, Kalighat-Falta, Sialkot-Narowal and Hoshiarpur-Doab Railways payable under the terms of their respective contracts. The improvement of Rs. 55,000 on the budget estimate of receipts in 1922-23 is due mainly to the variations anticipated in the Government share of surplus profits of the Amritsar-Patti and Rohilkhand and Kumaon Railways and in the repayment of advances of interest by Tinnevely-Quilon Railway (Indian State section). The decrease of Rs. 36,000 provided for in the budget for 1923-24 is due mainly to variations anticipated in the Government share of surplus profits of the Rohilkund and Kumaon and Southern Punjab Railways and in the repayment of advances of interest by Tinnevely-Quilon Railway (Indian State section).

23. *Other charges.*—These consist of cost of land required by certain Railway Companies entitled under the terms of their contracts to free supply of land for the purposes of their railways, and of miscellaneous items such as surveys and controlling establishments (including the Railway Board). A share of the cost of control is charged to the working expenses of each Railway Company and the recoveries thus made are adjusted by deduction from the miscellaneous expenditure. The figures are:—

Items.	1921-22.	1922-23.		1923-24.
	Actuals.	Budget.	Revised.	Budget.
	R	R	R	R
1. Subsidised Companies--Land and Subsidy.	7,19,922	19,83,000	10,80,000	25,90,000
2. Miscellaneous Expenditure	—27,21,911	23,04,000	34,51,000	12,50,000
TOTAL	—20,01,989	42,87,000	45,31,000	38,40,000

24. *Land and Subsidy*.—The revised estimate shows a decrease of Rs 9,03,000 over the budget estimate of 1922-23 which is mainly attributable to the fact that provision made for certain railways is not now required, as it has subsequently been decided to construct them from Programme funds and also to provision made for certain other lines not having been utilised due to postponement of works to next year. The budget estimate for 1923-24 has been placed at Rs 25,90,000 which is about Rs 15 lakhs in excess of the revised estimate for 1922-23. The increase is chiefly due to provision made for land for new projects, *viz.*, Jharia-Jhanjail-Bagmara, Bagmara Siju, Mukerian-Talwara, Sirhind Rupa Railways, District Board Lines in Madras Presidency, Hardwar-Dehra and Rishikesh-Rishikesh Road Railways.

25. *Miscellaneous Expenditure*.—The increase of Rs 11,47,000 in the revised estimate for 1922-23 as compared with the budget estimate of the year is chiefly due to provision made to cover the estimated amount of adjustments required to be made provisionally with other departments on behalf of railways in the Accountant-General, Railways' auxiliary accounts as well as to provide for the reversal entries in respect of certain credits adjusted in those accounts for 1921-22 to be passed on the railways in the accounts for 1922-23. It may be explained that the use of the Accountant-General, Railways' auxiliary accounts is made to include in the railway accounts for a year all the railway transactions relating to that year which, owing to the individual accounts of railways for a year being closed early in May following, could not be adjusted in those accounts and would have remained outstanding at the end of a year but for adjustment through the auxiliary accounts. The budget for 1923-24 is made up as follows:—

	R
Cost of surveys	8,00,000
Government supervision, audit and control:—	
Establishment of the Railway Board	10,00,000
" " Accountant-General, Railways	2,39,000
Government Inspectors and Government Examiners of Accounts	6,78,000
Surplus Establishment and Miscellaneous Charges	2,10,000
Indian Railway Bridge Committee	5,000
State Railways.—Miscellaneous expenditure in England	15,84,000
Exchange	7,92,000
Total	53,08,000
<i>Less</i> —Recoveries on account of supervision	—16,82,000
<i>Less</i> —Leave allowances, etc., of railway employes and miscellaneous charges adjustable against working expenses	—23,76,000
GRAND TOTAL	12,50,000

PART III.—REVIEW OF FINANCIAL POSITION.

26. 1922-23, *Revised Estimate*.—The following table shows the financial results expected in accordance with the latest estimates:—

		R
Traffic receipts from Government Railways		92,07,26,000
Government share of surplus profits from Subsidised Companies' Railways		25,07,000
	Total Receipts	92,33,23,000
		R
Working expenses	65,83,85,000	
Surplus profits paid to Companies	68,07,000	
Interest on Government debt	16,96,83,000	
Interest on capital contributed by Companies	3,32,04,000	
Annuities in purchase of Railways	5,03,62,000	
Sinking Funds	47,11,000	
Land and Subsidy to Companies	10,80,000	
Miscellaneous	34,51,000	
	Total Charges	1,27,75,83,000
	Net loss	42,60,000

The total capital at charge of railways is R5,62,92,73,000 and after paying working expense the net return on capital is expected to be R26,49,8,000 which is equivalent to 4.7 per cent. on capital.

The net loss after paying interest on borrowed capital and all other contingent liabilities connected with railways, was R42,60,000 which compares favourably with the corresponding figure of R9,08,99,743 in 1921-22.

27. 1923-24, *Budget Estimate*.—The corresponding figures for 1923-24 based on estimates are expected to be as follows:—

		R
Traffic receipts from Government Railways		95,57,24,000
Government share of surplus profits from Subsidised Companies' Railways		19,61,000
	Total Receipts	95,76,85,000
		R
Working expenses	63,01,50,000	
Surplus profits paid to Companies	98,77,000	
Interest on Government debt	18,77,80,000	
Interest on capital contributed by Companies	3,22,30,000	
Annuities in purchase of Railways	5,03,62,000	
Sinking Funds	49,10,000	
Land and Subsidy to Companies	25,90,000	
Miscellaneous	12,50,000	
	Total Charges	91,91,59,000
	Net gain	3,85,26,000

The total capital at charge of railways at the end of the next financial year is expected to be Rs 5,99,99,52,000 and after paying working expenses the net return on capital will be Rs 2,75,35,000 which is equivalent to 5.46 per cent. on capital.

28. It will be seen from the above that the position is rapidly improving, and there is every expectation that in 1923-24 railways will again bring in a net profit to the State. The unfavourable results in the past years since the war have been due to a variety of causes, most of which are now showing signs of passing away. Difficulties similar to those which have affected railways in India have been apparent in every form of business in the country. Working expenses have risen to an unprecedented degree, and the earning power of the lines has not responded, for the reason that trade was almost at a standstill and even passenger traffic languished or failed to increase, in sympathy with the financial condition of the people. There is, however, no reason to imagine that these conditions represent other than a temporary phase similar to what is apparent in every other part of the world.

29. On every line in India Retrenchment Committees are now endeavouring to reduce working expenses by introducing more economical methods and by getting rid of all classes of liabilities which do not represent matters absolutely essential to working. Trade is now beginning to show signs of recovery and it may confidently be hoped that railway receipts will rise in sympathy. It is the first essential at present, therefore, to push forward the rehabilitation of all lines so that they may be placed in a position to meet the public demand for transport without difficulty, and at the same time to endeavour by every means possible to reduce the working expenses to the minimum compatible with efficiency.

C. D. M. HINDLEY,
Chief Commissioner of Railways.

Dated the 29th March 1923.

Annexure to Appendix I.**MEASURES DESIGNED TO IMPROVE CONDITIONS OF TRAVEL
FOR 3RD CLASS PASSENGERS.***Water-supply for passengers.*

Every line is paying particular attention to this requirement. Mention is made in the memorandum to which this is appended of the experiments in providing supply in the train itself, but apart from this arrangements are being made to extend and improve the ordinary station supplies for passengers. On the Great Indian Peninsula Railway 43 stations are put down for this improvement, and provision is being made for standpipes both on platforms and in 3rd class waiting sheds. The North Western Railway, which traverses some very hot tracts, besides providing additional supply at many stations is conducting experiments in cool storage by building special drinking water tanks. These installations cost Rs2,000 each and, pending the result of the trial, temporary arrangements are being made to improve the water-supply at a large number of stations. The Burma Railways proposes to devote about Rs50,000 to provision of extra hydrants, though arrangements on this line in this respect are reported to be generally good.

The Bengal Nagpur Railway, besides minor improvements at less important stations, has 11 large schemes for providing new water-supply at stations. The Bengal and North Western, Rohilkund and Kumaon, Oudh and Rohilkhand, Madras and Southern Mahratta and South Indian Railways all propose to increase substantially the number of hydrants and improve supply of water. On the Eastern Bengal Railway 24 new stations are being equipped with hydrants and 12 tube wells are to be sunk. About a lakh of rupees is to be spent on these objects.

The above are merely examples of what is being done. Works of this nature are not by themselves individually impressive, but in the aggregate tend to improve on passengers' comfort.

Waiting sheds and rooms.

Very particular attention has been devoted to this matter in all programmes.

The Great Indian Peninsula Railway is providing new waiting accommodation at 58 stations and extending existing accommodation at 15 more besides providing additional seating accommodation, the total expenditure on these works being Rs3.85 lakhs. The Bengal and North Western Railway is spending Rs56,000 in providing new 3rd class waiting accommodation with separate rooms for Indian ladies at 10 stations. The East Indian Railway has a number of smaller schemes of this nature and large ones at Jammawan, Kulti, Delhi and Burdwan. The North Western Railway is providing new waiting halls at Karachi, Bhalwal, Shorkot Road, Sangla Hill, Khanewal, and other stations numbering 13 in all, the total expenditure being about Rs3 lakhs.

The Oudh and Rohilkhand Railway is spending Rs1,06,000 on extra waiting accommodation at 12 stations including a large scheme to meet *mela* traffic at Sitapur. The Bombay, Baroda and Central India Railway has a considerable programme of this work, including the re-building of the stations

at Ahmedabad with very greatly improved 3rd class accommodation, which is very badly required. The Bengal Nagpur Railway is extending the waiting shed for pilgrims at Puri and is also providing pilgrim *serais* at 4 stations at an estimated cost of about Rs 1½ lakhs. The waiting halls at 14 other stations are to be extended and improved on this line. On the Rohilkund and Kumaon Railway an Indian waiting shed is being erected at Kathgodam. Assam Bengal Railway is spending Rs 70,000 on third class waiting halls at 13 stations. The South Indian Railway is providing improved waiting shed accommodation at 10 stations; Indian retiring room and festival waiting shed at 2 stations are also to be erected by this railway; increased accommodation in 3rd class waiting sheds is also being provided at 7 important stations which are being remodelled. On the Eastern Bengal Railway the present 3rd class sheds at Katihar are to be considerably increased in size; waiting halls at 12 stations are to be extended; large sheds at 6 stations and small ones at 13 stations are to be erected; and 3rd class ladies' waiting rooms at 4 stations are to be built. The Madras and Southern Mahratta Railway is providing waiting sheds at 42 stations at an estimated cost of Rs 1,71,000.

Indian refreshment rooms.

The provision of Indian refreshment rooms presents a good many difficulties, and all of the arrangements so far made are advisedly of an experimental nature, the object being to ascertain the kind of accommodation most suited to local requirements. Owing to the wide differences in caste and social habits of the different classes to be catered for in various parts of the country it is impossible to successfully adopt similar measures on all lines. But on every line an effort is now being made to find out how the wants of the public can be met and so far as possible to meet them. The East Indian Railway is providing Mohamedan and Hindu refreshment rooms at Howrah. The Great Indian Peninsula Railway is erecting proper food stalls with cook-houses at 43 stations at an estimated cost of about Rs. 2 lakhs; it is also supplying stalls for tea and sweetmeats at 13 stations and improving the existing arrangements at another 7 stations. The North-Western Railway is putting up two rooms at Ferozepore; it is also providing vendors' stalls and tea shops at a number of stations. On the Oudh and Rohilkhand Railway vendors' shops have been fixed at 4 stations and others are being provided. On the South Indian Railway Indian refreshment rooms are being provided wherever found necessary. On the Eastern Bengal Railway refreshment rooms for Hindus and Mohamedans have already been provided at 3 junction stations and it is the intention to provide them at all big stations, junctions and termini where passengers wait in any number. During the next year at least 6 such combined Hindu and Mohamedan refreshment rooms will be built, and there will also be considerable refreshment facilities at Katihar station, the total cost being about Rs 60,000. The Madras and Southern Mahratta Railway is providing new refreshment rooms or improving the existing ones at certain stations.

Latrines.

The travellers' needs in this respect are to a great extent being met by improved arrangements on the trains themselves, at the same time improvements at stations, especially the larger ones, are being attended to.

On the Great Indian Peninsula Railway new latrines are being provided at 22 stations at a cost of ₹34,000. The Oudh and Rohilkhand Railway is spending ₹13,000 on the improvement of sanitary arrangements for 3rd class latrines at Kashi. The South Indian Railway is erecting latrines at end of platforms with water conveniences and efficient drainage at 7 important stations as part of remodelling schemes. Latrines on station platforms at 35 stations on this line are also being provided at a cost of ₹17,500. During festivals temporary latrines are provided where necessary. A special staff of sweepers are engaged during such occasions for the removal of filth and rubbish from places resorted to by passengers. In the case of large festivals like the "Mahamagam", a senior medical officer with a sufficient medical and sanitary staff are placed in charge of festival arrangements.

Booking facilities, raised platforms, etc.

This heading covers a number of matters all affecting the convenience of passengers and in some cases presenting considerable difficulty in solution. The provision of adequate booking facilities to suit widely varying numbers at particular centres is a matter of very great difficulty, but efforts are now being made on all lines to effect such improvement as is possible. The East Indian Railway is extending the booking hall at Cawnpore at a cost of ₹33,000. Raised platforms are being provided at 5 stations and overbridges are to be built at 4 stations at a cost of over a lakh of rupees. Improved booking arrangements for 3rd class passengers are also being provided at Howrah. The Great Indian Peninsula Railway propose to erect separate booking offices contiguous to the sheds at 14 stations at a cost of ₹90,000. It is also proposed to improve the existing arrangements at 8 stations. For the exclusion of beggars and loafers and the reservation of waiting sheds for the sole use of *bona fide* passengers it is proposed at 18 stations to erect unclimbable palisading to form an enclosure in which the waiting sheds, booking offices, food-stalls and other facilities for waiting-passengers will be situated, the total cost being about ₹50,000. The Oudh and Rohilkhand Railway is extending passenger platforms at 27 stations and is providing shed over island platform at Balaman and verandahs to flag stations at a total cost of over ₹80,000. The Assam Bengal Railway is providing raised platform, overbridge, and electric lights at Sitakund station and is covering the island platform at Laksam station, the total provision in next year's budget being ₹45,000. On the South Indian Railway covered platforms and foot overbridges with coverings are to be provided at 7 stations in connection with re-modelling schemes; island and station platforms are also to be provided at these and other stations; at 3 stations platforms are to be raised; benches are to be provided at 50 stations and high power lamps installed at 25 stations. The Eastern Bengal Railway is enlarging platforms at 3 stations in the suburban area. On the Madras and Southern Mabratta Railway high power lamps and electric lights are to be provided at certain stations at a considerable cost. The above explanations in respect to the various classes of improvements do not of course pretend to be comprehensive but will indicate the progress which is being made in dealing with the 3rd class passenger traffic.

APPENDIX II.

**PRO FORMÂ ACCOUNT OF EXPENDITURE ON DELHI AND
THE DELHI PROVINCE.**

Prefatory Note.

I.—Scope of *pro formâ* account.

The following *pro formâ* account, with its supporting statements, exhibits the expenditure, initial and annual, on Delhi and the Delhi Province, and also any receipts and savings which form a direct set-off to that expenditure. The account has been prepared in consultation with the Auditor General and carries his approval as regards both its form and its substantial completeness at the present date, subject to the qualifications implied in the following prefatory remarks; it will be added to, or amplified later, if experience should show this to be necessary.

2. The main item of the account, as regards non-recurring expenditure, is the Delhi project proper, the figures for which appear against item 1 of Part I.—*Initial Outlay*. The principal recurring charge is that representing the expenditure in the new province, which appears as item 1 of Part II.—*Annual Expenditure*.

3. The account necessarily exhibits any expenditure occurring under the named heads, without qualification on account of contributory causes. It must, therefore, be clearly understood that the increase of expenditure, including that in the Delhi Province, is not wholly due to the change of Capital. Thus, an increase of the garrison at Delhi on strategic grounds had been already independently and strongly recommended to the Government of India by the Chief of the General Staff and endorsed by His Excellency the Commander-in-Chief in July 1911, before the transfer of the Capital had been officially proposed, and the construction of the accommodation of the troops already there had long been recognised as pressing. Similarly, the recent advance in the policy relating to education and sanitation, particularly the latter, would, under any circumstances, have involved increased expenditure in this city. For practical purposes, these considerations must be ignored in the figured statements, as well as various similar points of minor pecuniary significance. The same principle will be applied to the railway expenditure, i.e., the cost of any remodelling of the railway system which is connected with the constitution of the new Capital will be exhibited in full in the *pro formâ* account. A wholly independent railway requirement, such as the permanent marshalling yard which will eventually replace the temporary yard now in use, will not be shown.

II.—Relation between the *pro formâ* account and the regular accounts.

4. A brief explanation is added below connecting the various items in the *pro formâ* account with the entries in the published accounts and estimates. Some further explanations are also to be found in the account itself and in its supporting statements.

5. The capital expenditure directly incurred on the construction of the new Imperial Capital at Delhi is shown in the regular accounts under the special head "57—Initial Expenditure on the new Capital at Delhi." The only other item of expenditure which will be recorded in the capital section of the regular accounts is that arising from diversions or re-arrangements of the railway system, which will appear under the head "53—State Railways." Item 3 (b), *ibid.*

Item 2,
ibid.

6. The initial expenditure incurred during the years 1911-12 and 1912-13, in connection with the provision of temporary accommodation for the Government of India at Delhi pending the construction of the new Capital, has been treated, on the advice of the Auditor General, as a revenue charge, under a special minor head styled "Temporary Delhi" subordinate to the major head "41—Civil Works." Any non-recurring receipts which may eventually be obtained, in connection with these temporary works, *e.g.*, from the sale of lands and buildings when no longer required by the Government of India, will be similarly credited under a special head subordinate to the major head "XXX—Civil Works."

Item II,
ibid.

Items 1 and
I of Part II
of *pro formâ*
account.

7. The remaining expenditure is mainly brought to account in one of two ways: either, first, as expenditure of the new Province; or, secondly, as departmental expenditure chargeable to the Department in which it is incurred.

8. The expenditure and receipts appertaining to the *quasi*-provincial administration of the Imperial area are brought to account in the same way as in the case of other minor administrations and are eventually published separately, like the figures for Coorg and Baluchistan, in an appendix to the Civil Estimates. It will be noted that any grants which may be specially given from Imperial revenues in aid of the Delhi Municipality or other local funds will be brought into the regular accounts and consequently, into the *pro formâ* account also, since they will appear as charges of the Delhi administration.

Items 3 (a)
and III of
Part I of
pro formâ
account.

9. Expenditure which does not appertain to provincial administration is recorded, as in the case of other provinces, under its appropriate departmental head in the regular accounts. Thus, expenditure on the land and buildings required for the new Cantonment, and any corresponding receipts, appear under the Army and Military Works heads respectively, under both of which a special Delhi sub-head has been opened. Railway capital outlay has already been referred to. Railway revenue charges and receipts, similarly, come under the Railway account head. In these cases, the *pro formâ* account necessarily exhibits only initial expenditure and non-recurring receipts, as Military expenditure is not being permanently increased and the influence of the new Capital on the ordinary daily receipts and working expenses of the Railways cannot evidently be satisfactorily isolated. This latter consideration also applies to the case of Postal and Telegraph expenditure, which moreover represents ordinary administrative expenditure of the department, and is relatively insignificant in amount. For these reasons, in the case of this department, neither the initial outlay nor the recurring receipts and expenditure have been included.

Items 4 to 7
and I and IV
of Part I,
and Items 2
and 3 and II
to V of Part
II of *pro*
formâ
account.
Item I of
Part I.

10. There are also a few items of expenditure and of actual receipt or of definite saving which are not recorded in the accounts of the Delhi Province or in the departmental accounts, but which it is necessary to take into consideration in calculating the expenditure on Delhi and the Delhi Province. Most of these are self-explanatory, but attention may be called to the intended treatment of the sale-proceeds of vacated lands and buildings at Calcutta (if any) and elsewhere. These will be credited under the major heads "XXXV—Miscellaneous" and "XXX—Civil Works", and the *pro formâ* account will take credit only for actual Imperial receipts. No account will be taken, in the statements themselves, of book transactions or

of the considerable savings obtained from the vacation of rented accommodation, *i.e.*, of relief in respect of rental payments which the Local Government obtains by giving up private buildings previously leased for provincial establishments, and moving the latter into offices formerly occupied by the Government of India. Any reference made to such saving will, therefore, be found in an explanatory footnote. [See Part I, Note 5.]

11. Outlay on stores and all other expenditure incurred in England under a capital head or as a revenue charge, which can be distinguished as appertaining to the construction of Delhi or to the administration of the Delhi Province, have been included in the *pro forma* account.

BUDGET FOR 1923-24.

PRO FORMÁ ACCOUNT OF EXPENDITURE ON DELHI AND THE DELHI PROVINCE.

PART I.—INITIAL OUTLAY.

[Figures in thousands of Rupees.]

Expenditure.	Actuals to end of 1921-22.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.	Receipts.	Actuals to end of 1921-22.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
1. DELHI PROJECT:							
Capital outlay on permanent Delhi chargeable to Head "57" (for details see Statement I-A)	6,17.27	1,91.50	1,97.00	I.—Receipts which may be obtained on account of Imperial buildings vacated by the Government of India or attached offices in consequence of the move			
2. Temporary Delhi*	54.33	—	—		...	...	...
3. Initial expenditure of non-Civil Departments:—							
(a) Military Services†	82.47	5.49	20.44				
(b) Railways‡	23.80	27.83	26.17	II.—Non-recurring receipts on account of Temporary Works	2	...	...
4. Non-recurring grant to the Punjab Government in compensation for expenditure incurred on new headquarters buildings for the Commissionership transferred from Delhi	1.36	...	—	III.—Recoveries on account of land or buildings vacated in the old Cantonment of Delhi||	...	...	...
5. Cost of withdrawal to Delhi of Imperial offices previously located at Calcutta or elsewhere	2.03	...	—				
6. Special non-recurring monetary concessions to establishments of the Government of India and attached offices on the occasion of their first move to Delhi	4.54	76	67	IV.—Miscellaneous items	5.09	84	84
7. Miscellaneous items§	6.55	1.15	1.40				
TOTAL	7,92.35	2,26.76	2,45.68	TOTAL	5.11	84	84
Total Expenditure to end of 1923-24		12,64.79		Total Receipts to end of 1923-24		6.79	
Net Expenditure to end of 1923-24		12,58.00					

* NOTE 1.—The head "Temporary Delhi" has been closed from 1st April 1913, subsequent expenditure being treated as part of the expenditure of the Delhi Province—see Part II of Account.

† NOTE 2.—The expenditure included under item 3 (a) is that relating to the formation of the new Cantonment. Its details are as follows:—

	To end of 1921-22.	Revised, 1922-23.	Budget, 1923-24.
Acquisition of land	13.10	...	...
Cost of buildings	61.80	5.00	18.42
Establishment charges	5.70	40	1.84
Tools and Plants	1.87	9	18
TOTAL	82.47	5.49	20.44

‡ NOTE 3.—The figures relate to charges for the acquisition of land and outlay on railway facilities at Nagal Bays and on account of Delhi New Capital Railway Works.

§ NOTE 4.—The expenditure shown against item 7 represents mainly the proportionate cost of the Delhi Audit Office and the cost of temporary establishments employed in the Secretariats in connection with the change of Capital.

|| NOTE 5.—These heads will record only actual receipts obtained from the sale of the vacated buildings and land. As explained in paragraph 10 of the prefatory note, this procedure has the effect of excluding a substantial true saving in respect of rented accommodation. Thus from 1913-14 to 1921-22 the Government of Bengal, by moving their offices into the vacated Imperial buildings in Calcutta, saved Rs.78,600: partly by being enabled to dispense with private accommodation previously leased, and partly by being relieved from the necessity of renting further accommodation.

PRO FORMA ACCOUNT OF EXPENDITURE ON DELHI AND THE DELHI PROVINCE.

PART II.—ANNUAL EXPENDITURE.

[Figures in thousands of Rupees.]

Expenditure.	Actuals, 1921-22.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.	Receipts.	Actuals, 1921-22.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
1. Expenditure of Delhi Province*	65.09	57.17	50.06	I.—Revenue of Delhi Province*	34.11	32.73	32.61
2. Miscellaneous items	25	29	29	II.—Saving under bill journey and travelling allowances and contingencies on account of shorter move of Secretariat, and attached offices†	2.50	2.50	2.50
				III.—Miscellaneous items	3	3	3
Total Expenditure	65.34	57.46	50.35				
Net Expenditure	29.70	22.20	15.21	Total Receipts	36.64	35.26	35.14

* Note 1.—The details of this item are given in Statement II-A.

† Note 2.—The figures shown against item II to a minimum figure calculated once for all on the assumption that all offices or portions of offices which previously moved between Calcutta and Simla have subsequently moved regularly between Delhi and Simla. The actual saving throughout has been larger owing to certain establishments which previously moved to Calcutta being retained in Simla throughout the cold weather.

STATEMENT I.-A.

Details of Capital outlay on the Delhi Project working up to the total figures shown against item I in Part I of pro forma account.

[Figures in thousands of Rupees.]

Items.	Actuals to end of 1921-22.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
A.—Salaries and allowances—			
(a) Preliminary Investigation—			
(i) Gazetted officers	2,04	...	...
(ii) Non-gazetted officers	14	...	...
(b) Public Works and Electrical officers employed on the Project—			
(i) Gazetted officers	44,90	11,24	10,29
(ii) Non-gazetted officers	28,17	6,14	7,21
(c) Miscellaneous officers (including all others) employed on the Project—			
(i) Gazetted officers	3,78	36	41
(ii) Non-gazetted officers	2,55	46	32
B.—Travelling allowances of Officers and Establishment—			
(a) Preliminary Investigation—			
(i) Gazetted officers	23	...	...
(ii) Non-gazetted officers	- 2	...	...
(b) Public Works and Electrical officers employed on the Project—			
(i) Gazetted officers	4,26	69	67
(ii) Non-gazetted officers	2,55	50	55
(c) Miscellaneous officers (including all others) employed on the Project—			
(i) Gazetted officers	37	8	9
(ii) Non-gazetted officers	13	4	4
C.—Supplies, Services and Contingencies—			
(a) Preliminary Investigation	51	...	...
(b) Public Works and Electrical officers employed on the Project	3,64	70	64
(c) Miscellaneous officers	39	4	1
Less—On account of Exchange . . . . .	...	1,69	1,48
Total A, B, C.	93,68	21,94	21,71
Deduct—Credits from other heads of account	20,18	3,09	4,04
Net Total A, B and C—Carried over	73,50	18,85	17,67

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Details of Capital outlay on the Delhi Project working up to the total figures shown against item I in Part I of pro formâ account—concl'd.

[Figures in thousands of Rupees.]

Items.	Actuals to end of 1921-22.	Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
Brought forward	73,50	18,85	17,67
<i>D.—Works Expenditure—</i>			
(i) Buildings—			
(a) Government House	28,22	12,47	30,00
(b) Secretariat	47,49	27,80	46,68
(c) Other buildings	1,17,92	18,22	51,06
(d) Legislative Chambers	54	7,76	25,00
(ii) Communications	12,13	7,20	6,00
(iii) Miscellaneous Public Improvements	7,98	2,05	5,00
(iv) Electric Light and Power	1,83	15,20	16,56
(v) Irrigation	21,82	9,47	3,00
(vi) Sanitation including storm-water drains, sewage and sewage disposal, water-supply, and conservancy	47,60	24,60	21,00
(vii) Tools and plants	62,22	6,97	4,00
(viii) Stock and Suspense	77,28	9,65	—35,00
(ix) Miscellaneous including surveys camps and general preliminary expenditure connected with works	68,93	16,50	2,00
(x) Maintenance during construction	34,79	10,95	10,00
(xi) Railway diversion	77	10,00	2,00
<i>E.—Acquisition of land taken up for the Project</i>	33,93	—51	...
<i>F.—Other Miscellaneous expenditure</i>	6	...	...
Reserve for fluctuation in Exchange . . . . .	...	11,25	2,82
<i>Minus Reserve</i>	...	—12,29	—7,79
<i>Deduct—Receipts on Capital Account</i>	20,74	4,00	3,00
Total	6,17,27	1,91,50	1,97,00

STATEMENT II-A.

Revenue and Expenditure of Delhi Province.

[Figures in thousands of Rupees.]

REVENUE.				EXPENDITURE.			
Major heads of Account.	Actuals, 1921-22.	Revised Esti- mate, 1923-23.	Budget Esti- mate, 1923-24.	Major heads of Account.	Actuals, 1921-22.	Revised Esti- mate, 1923-23.	Budget Esti- mate, 1923-24.
I.—Customs	53	1,35	1,10	2. Taxes on income	7	14	15
II.—Taxes on Income	12,01	9,53	9,51	5. Land Revenue	79	43	39
IV.—Opium	20	21	29	6. Excise	14	16	14
V.—Land Revenue	3,60	3,77	3,88	7. Stamps	11	12	12
VI.—Excise	4,45	5,24	5,27	9. Registration	8	8	8
VII.—Stamps	7,01	6,57	6,60	15. Miscellaneous Irriga- tion Expenditure	4	5	5
IX.—Registration	42	44	45	22. General Administra- tion	2,80	3,29	3,19
XIV.—Irrigation works for which no capital accounts are kept	1	6	4	23. Audit	51*	23*	12*
XVI.—Interest	1	19	18	24. Administration of Justice	1,50	1,77	1,67
XVII.—Administration of Justice	19	23	22	25. Jails and Convict settlements	1,47	1,22	1,17
XVIII.—Jails and con- vict settlements	22	25	25	26. Police	8,74	9,74	7,95
XIX.—Police	17	20	18	28. Ecclesiastical	23	36	35
XXI.—Education	15	16	16	39. Political	1	1	1
XXII.—Medical	4	8	7	30. Scientific Depart- ments	5	41	4
XXVI.—Miscellaneous Departments	21	5	5	31. Education	3,76	4,84	4,84
XXVII.—Currency	...	...	...	32. Medical	3,32	3,48	3,27
XXX.—Civil works†	1,68	1,20	1,20	33. Public Health	84	86	79
XXXIII.—Receipts in aid of Superannua- tion, etc.	6	4	5	34. Agriculture	33	30	18
XXXIV.—Stationery and Printing	10	10	9	35. Industries	...	3	3
XXXV.—Miscellaneous	3,05	3,06	3,04	37. Miscellaneous Depart- ments	2	...	...
				38. Currency	8	9	9
				41. Civil Works†	18,87	17,06	15,53
				43. Territorial and Poli- tical Pensions	45	49	48
				45. Superannuation, etc.	2,64	2,68	2,65
				46. Stationery and Print- ing	17	10	10
				47. Miscellaneous	13,15	5,85	3,6
				Refunds	1,98	1,71	1,75
				Special Additions—			
				41. Civil Works—Vicere- gal Estates in India	2,94	1,67	1,3
TOTAL	34,11	33,73	32,61	TOTAL	65,09	57,17	50,06

* Excludes cost of Delhi Audit Office debitable to Part I.

† Figures exclude transactions pertaining to the Imperial Division at Dehra Dun.

BUDGET FOR 1923-24.

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APPENDIX III.
COMMERCIAL AND FINANCIAL STATISTICS.

Appen COMMERCIAL AND

TABLE I—

	1914-1915.	1915-1916.	Item Number.
Recorded revenue compared with recorded expenditure excluding Capital Expenditure on Railways, Irrigation works, Telegraphs and the Delhi Capital not charged against Revenue—			
Surplus R	...	...	1
Deficit R	2,67,79,030	1,78,39,915	2
Capital Expenditure on Railways and Irrigation Works not charged against Revenue R	17,44,95,510	8,38,35,975	3
Capital outlay on the Indian Postal and Telegraph Department not charged against Revenue R	..	...	4
Initial Expenditure on New Capital at Delhi R	54,05,475	49,69,110	5
India's Financial Contribution to the War R	..	...	6
Net Public Debt incurred R	4,09,09,410	3,56,97,510	7
Net Public Debt incurred, including Capital transactions with Railway Companies R	8,59,50,444	8,64,25,837	8
Value of commodities exported, excluding Gold and Silver R	1,83,17,60,000	1,99,48,00,000	9
Value of commodities imported, excluding Gold and Silver R	1,44,93,10,000	1,38,16,80,000	10
Excess of Exports over Imports, excluding Gold and Silver R	37,24,50,000	61,31,10,000	11
Net Imports of Gold R	7,84,70,100	† -1,10,90,000	12
Ditto of Silver R	8,87,20,000	4,83,00,000	13
TOTAL NET IMPORTS OF GOLD AND SILVER R	16,51,90,000	3,72,10,000	14
Excess of Exports over Imports including Gold and Silver R	20,72,60,000	57,59,00,000	15
Net Imports of Currency Notes* R	...	...	16
Excess of Exports over Imports including Gold, Silver and Currency Notes R	20,72,60,000	57,59,00,000	17
Secretary of State's Bills sold (Rupees) R	§ 11,81,89,393	§ 30,36,67,471 (a)	18
Sterling Equivalent received £	§ 7,748,112	§ 28,354,517 (a)	19
Silver coined at the Indian Mints R	2,17,93,395	1,63,02,199	20
Maximum price in pence of an oz. troy standard Silver in London	27½ (30th Apl.)	26½ (31st March 1916).	21
Minimum price in pence of an oz. troy standard Silver in London	23½ (13th and 14th Novr.)	22½ (5th Aug. 1915).	22
Average Exchange upon Secretary of State's Bills sold per rupee	1s. 4'00d.	1s. 4'08d.	23

*Recorded from
†Represents net
§Include remittances of the
(a) Include remittances of the
(b) Figures for 11 months
(c) Net

Item Number.	1916-1917.	1917-1918.	1918-1919.
1	11,31,72,550	12,13,06,110	...
2	...	...	5,73,06,135
3	3,57,66,465	5,91,61,825	7,64,13,315
4	...	...	...
5	36,64,455	37,58,145	42,88,895
6	...	1,50,00,00,000	...
7	11,56,72,620	1,73,76,00,090	11,47,30,575
8	11,29,52,367	1,72,94,94,174	10,22,96,861
9	2,47,37,70,000	2,44,90,40,000	2,55,30,90,000
10	1,60,24,90,000	1,64,35,50,000	1,88,56,50,000
11	87,12,80,000	80,54,90,909	66,74,70,000
12	13,23,50,000	25,17,80,000	†-5,56,40,000
13	16,80,00,000	19,04,20,000	67,91,90,000
14	32,03,50,000	44,22,60,000	62,35,50,000
15	55,09,30,000	36,32,90,000	4,39,20,000
16	...	...	...
17	55,09,30,000	36,32,90,000	4,39,20,000
18	§40,04,34,364(a)	§50,63,87,178(a)	(a)28,65,41,000
19	§32,908,095 (a)	§24,680,682(a)	(a) 20,946,314
20	30,77,07,326	23,87,07,287	52,05,35,309
21	$\frac{7}{16}$ (13th Feby. 1917).	55 (21st to 24th Sept. 1917).	50 (28th March 1919).
22	$26\frac{1}{16}$ (10th July 1916).	$38\frac{9}{16}$ (13th to 17th April 1917).	$45\frac{1}{2}$ (8th to 10th Apl. 1916).
23	ls. 4'146d.	ls. 4'536d.	ls. 5'445d.

Part III.

FINANCIAL STATISTICS.

MISCELLANEOUS.

Item Number.	1922-1923, Revised.	1923-1924, Budget.	
1	...	80,86,000	Recorded revenue compared with recorded expenditure excluding Capital Expenditure on Railways, Irrigation works, Telegraphs and the Delhi Capital not charged against Revenue—
2	17,25,35,000	...	Surplus R
3	20,18,05,000	38,64,17,000	Deficit R
4	1,10,56,000	94,30,000	Capital Expenditure on Railways and Irrigation Works not charged against Revenue R
5	1,91,50,000	1,97,00,000	Capital outlay on the Indian Postal and Telegraph Department not charged against Revenue R
6	...	...	Initial Expenditure on new Capital at Delhi R
7	25,30,36,000	27,65,56,000	India's Financial Contribution to the War R
8	24,97,14,000	27,65,56,000	Net Public Debt incurred R
9	(b) 2,82,78,10,000		Net Public Debt incurred, including Capital transactions with Railway Companies R
10	(b) 2,24,93,70,000		Value of commodities exported, excluding Gold and Silver R
11	(b) 57,84,40,000		Value of commodities imported, excluding Gold and Silver R
12	(b) 35,12,00,000		Excess of Exports over Imports, excluding Gold and Silver R
13	(b) 17,09,10,000		Net Imports of Gold R
14	(b) 52,21,10,000		Litro of Silver R
15	(b) 5,63,30,000		TOTAL NET IMPORTS OF GOLD AND SILVER R
16	(b) 1,61,50,080		Excess of Exports over Imports including Gold and Silver R
17	(b) 4,61,80,000		Net Imports of Currency Notes* R
18	4,75,00,000		Excess of Exports over Imports, including Gold, Silver and Currency Notes R
19	3,270,000		Secretary of State's Bills sold (Rupees) R
20	63,36,608		Sterling Equivalent received R
21	37½ (22nd May 1922).		Silver coined at the Indian Mints R
22	30½ (16th Dec. 1922).		Maximum price in pence of an oz. troy standard Silver in London
23	1s. 4 5/22d.		Minimum price in pence of an oz. troy standard Silver in London
			Average Exchange upon Secretary of State's Bills sold per rupee

April 1922.
 exports of gold.
 Gold Standard Reserve.
 Currency Department.
 *April to February).
 (imports).

Appen.
COMMERCIAL AND

TABLE I—

	1914-1915.	1915-1916.	Item Number
Rate of Exchange for the adjustment of transactions between the Indian and Imperial Treasuries	1s. 4d.	1s. 4d.	24
Maximum rate of discount on Loans on demand at the Imperial Bank of India, Calcutta	6 (1st to 30th Apl. and 5th Nov. to 31st Dec. 1914 and 1st Jan. to 31st March 1915).	8 (30th Jan. 1916 to 31st March 1916).	25
Minimum rate of discount on Loans on demand at the Imperial Bank of India, Calcutta	3 (8th July to 5th Aug.).	5 (2nd June to 32nd Sept.).	26
Maximum rate of discount at the Bank of England	10 (from 1st to 5th Aug. 1914).	5 (1st Apl. 1915 to 31st Mar. 1916).	27
Minimum ditto ditto ditto	(from 1st Apl. to 29th July).		28
Maximum Government balances at the Imperial Bank of India	R 10,12,86,000 (Aug.).	R 8,87,07,000 (Aug.).	29
Minimum Government balances at the Imperial Bank of India	R 4,84,03,000 (Nov.).	R 4,67,76,000 (Nov.).	30
Maximum price in Calcutta of 5 per cent. War Loan, 1920-47	...	...	31
Minimum price in Calcutta of 5 per cent. War Loan, 1920-47	...	...	32
Maximum price in Calcutta of 5 per cent. income-tax free loan, 1945-55	...	...	33
Minimum price in Calcutta of 5 per cent. income-tax free loan, 1945-55	...	...	34
Maximum price in Calcutta of Government 3½ per cent. Rupee Securities (Guaranteed)	96-1 (from 14th to 15th and 17th to 25th July 1914).	93-3 (5th to 11th June 1915).	35
Minimum price in Calcutta of Government 3½ per cent. Rupee Securities (Guaranteed)	91-8 (13th to 31st March).	79½ (23rd Dec. 1915 to 6th Jan. 1916).	36
Maximum price in Calcutta of 8 per cent. Rupee Securities	83 (1st April to 4th Aug. 1914).	80 (1st Apl. to 26th June 1915).	37
Minimum price in Calcutta of 8 per cent. Rupee Securities	77 (31st Aug. to 3rd Sept. 1914).	67½ (23rd Dec. 1915 to 6th Jan. 1916).	38

Item Number.	1916-1917.	1917-1918.	1918-1919.
24	1s. 4d.	1s. 4d. and 1s. 5d.	1s. 5d. and 1s. 6d.
25	8 (1st to 13th April 1916 and 9th Nov. 1916 to 21st Feb. 1917).	6 (1st April to 6th Sept. 1917 and 3rd Jany. to 31st March 1918).	7 (16th Jan. to 26th Mar. 1919).
26	5 (22nd June to 13th Sept).	5 (7th Sept. 1917 to 2nd Jany. 1918).	5 (23rd May to 6th Nov. 1918).
27	6 (13th July, 1916 to 17th Jany. 1917).	5½ (2nd to 4th April 1917).	5 (1st Apl. 1918 to 31st Mar. 1919).
28	5 (1st April to 12th July 1916).	5 (5 h April 1917 to 31st March 1918).	
29	10,11,66,000(ar.)	22,65,24,000 (June)	18,60,47,000(Sept.)
30	4,84,33,000 (May)	7,37,68,000 (Nov.)	6,54,89,000 (Apl.)
31	...	...	93
32	...	...	90
33	...	...	...
34	...	...	...
35	68 (7th and 11th to 14th April 1916).	70 (6th to 14th Sep. and 31st Oct. to 17th Feb. 1918).	81 (7th to 21st Nov. 1918).
36	69 (22nd Feb to 2nd March and 20th to 31st March 1917).	67 (20th June to 24th Augt. 1917).	65 (3rd May to 24th June 1918).
37	70 (6th to April 1916).	20.h 60 (6th to 14th Sep. and 31st Oct. to 16th March 1918).	69 (5th to 22nd Nov. 1918).
38	59 (22nd Feb. to 2nd March and 20th to 31st March 1917).	67 (20th June to 24th Augt. 1917).	68 (11th Apl. to 24th June 1918).

1919-1920.	1920-1921.	1921-1922.	Item Number.
1s. 6d., 1s. 8d., 2s., 2s. 4d. and 2s. 9d.	2s. 8d., 2s. 4d., 2s. 2½d., 2s., 1s. 11d., 1s. 10½d., 1s. 8½d., 1s. 5½d., 1s. 6d. & 1s. 4½d.	1s. 3½d., 1s. 3½d., 1s. 3½d., 1s. 4d., 1s. 4½d., 1s. 5d., and 1s. 5½d.	34
7 (12th to 31st Mar. 1920).	7 (1st Apl. to 9th June 1920, 18th Nov. 1920, to 2nd Mar. 1921).	8 (16th Feb. to 31st Mar. 1922).	25
5 (5th June 1919 to 14th Jan. 1920).	5 (1st July to 3rd Nov. 1920).	5 (2nd June to 14th Dec. 1921).	26
5 (6th Nov. 1919 to 31st Mar. 1920).	7 (15th April 1920 to 31st Mar. 1921).	7 (1st Apl. to 1st May 1921).	27
5 (1st April 1919 to 5th Nov. 1919).	6 (1st to 14th April 1920).	4½ (16th Feb. to 31st March 1922).	28
18,26,33,000 (Feb.)	20,36,41,000 (July)	25,87,46,000 (31st July).	29
7,04,52,000 (Sept.)	5,84,08,000 (Feb.)	5,34,64,000 (18th Nov.).	30
95	90	67	31
90	77	78	32
95½ to 06	95 to 96	80	33
	78½	80	34
71 (1st April to 17th May).	60 (1st to 16th April 1920 and 5th to 15th Jan- uary 1921).	62 (30th & 31st May 1921).	35
69 (27th Feb. to 31st Mar. 1920).	52 (1st Nov. to 22nd Dec. 1920).	55-10 (from 3rd March).	36
61 (1st April to 17th May).	50 (1st April to 5th Oct. 1920 and 5th to 15th January 1921).	53 (31st May & 1st June 1921).	37
50 (27th Feb. to 31st Mar. 1920).	42 (1st Nov. to 22nd Dec. 1920).	47 (1st to 4th Apl. 1921).	38

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FINANCIAL STATISTICS—*contd.*

MISCELLANEOUS—*contd.*

Item Number.	1922-1923, Revised.	1923-1924, Budget.
24	1s. 3 $\frac{1}{2}$ d., 1s. 3 $\frac{1}{2}$ d., 1s. 3 $\frac{1}{2}$ d., 1s. 4d., and 1s. 4 $\frac{1}{2}$ d.	Rate of Exchange for the adjustment of transactions between the Indian and Imperial Treasuries
25	8 (1st to 26th Apl. 1922 and from 11th Jan. 1923).	Maximum rate of discount on Loans on demand at the Imperial Bank of India, Calcutta
26	4 (6th July to 25th Oct. 1922).	Minimum rate of discount on Loans on demand at the Imperial Bank of India, Calcutta
27	4 $\frac{1}{2}$ (1st to 12th April 1922).	Maximum rate of discount at the Bank of England
28	3 (13th July 1922 to 27th Feb. 1923).	Minimum ditto ditto
29	33,19,07,000 (28th July).	Maximum Government balances at the Imperial Bank of India R
30	8,22,54,000 (10th Nov.)	Minimum Government balances at the Imperial Bank of India R
31	86-8	Maximum price in Calcutta of 5 per cent. War Loan 1929-47
32	81-6	Minimum price in Calcutta of 5 per cent. War Loan. 1929-47
33	91-4	Maximum price in Calcutta of 5 per cent. income-tax free loan, 1945-55
34	87	Minimum price in Calcutta of 5 per cent. income-tax free loan, 1945-55
35	59 (11th to 16th May 1922 and 26th Feb. 1923).	Maximum price in Calcutta of Government 3 $\frac{1}{2}$ per cent Rupee Securities (Guaranteed)
36	55-8 (1st to 17th April).	Minimum price in Calcutta of Government 3 $\frac{1}{2}$ per cent Rupee Securities (Guaranteed)
37	50-9 (9th to 22nd May 1922 and from 26th Feb. 1923).	Maximum price in Calcutta of 3 per cent. Rupee Secu- rities
38	47-12 (1st to 18th April 1922).	Minimum price in Calcutta of 3 per cent. Rupee Secu- rities

Appendix
COMMERCIAL AND

TABLE I—

	1914-1915.	1915-1916.	Item Number.
Maximum amount outstanding on London Register of Rupee Securities encased for interest Drafts R	9,06,68,000 (Apr.)	9,06,68,000 (Apr.)	39
Minimum amount outstanding on London Register of Rupee Securities encased for interest Drafts R	73,00,000 (Mar.)	8,81,17,000 (Dec.)	40
Maximum price in London of 3½ per cent. (Rupee Securities in Gold) R	63½ (May)	No quotation.	41
Minimum price in London of 3½ per cent. (Rupee Securities in Gold) R	68 (July)		42
Maximum price in London of India 3½ per cent. Stock	90½ (Apr.)	82½ (May)	43
Minimum ditto ditto	80½ (Mar.)	80½ (Apr.)	44
Maximum price in London of India 3 per cent. Stock	77½ (Apr.)	70½ (Apr.)	45
Minimum ditto ditto	69½ (Mar.)	69½ (Apr.)	46
Maximum price in London of India 2½ per cent. Stock	64 (Apr.)	59½ (Apr.)	47
Minimum ditto ditto	58 (Jan.)	57 (May)	48
Maximum price in London of 7 per cent. Stock . . . . .	...	...	49
Minimum ditto ditto . . . . .	...	...	50
Maximum price in London of 6½ per cent. Stock . . . . .	...	...	51
Minimum ditto ditto . . . . .	...	...	52
Maximum price in London of 4½ per cent. Stock . . . . .	...	...	53
Minimum ditto ditto . . . . .	...	...	54
Maximum Government Paper Currency outstanding R	75,44,53,000 (July)	69,03,10,000 (July)	55
Minimum ditto ditto R	59,54,87,000 (Feb.)	60,24,42,000 (Apr.)	56
Number of Post Office Savings Banks	10,161	10,386	57
Number of accounts in Post Office Savings Banks	1,644,074	1,660,424	58
Amount deposited in Savings Banks R	14,89,28,323	15,32,12,517	59
Average of each deposit	30.58	61.84	60
Net addition to deposits R	-8,27,49,144	42,99,227	61

Item Number.	1916-17.	1917-1918.	1918-19
39	8,76,76,000 (Apl.)	8,06,95,000 (Apl.)	8,17,24,000 (Mar.)
40	8,30,42,000 (Mar.)	7,47,56,000 (Mar.)	7,34,70,000 (July)
41	No quotation.	53	54
42		44½	44
43	60½	60½	74
44	62½	61½	62
45	69½	60½	64
46	55½	53	53½
47	57½	50	53½
48	47	45½	44½
49	...	...	...
50	...	...	...
51	...	...	...
52	...	...	...
53	...	...	...
54	...	...	...
55	86,37,52,000 (Mar.)	1,14,76,87,000, (Oct.)	1,53,46,46,000 (Mar.)
56	66,46,80,000 (Apl.)	82,72,35,000 (Apl.)	1,05,96,05,000 (Apl.)
57	10,431	10,975	10,587
58	1,647,419	1,637,600	1,877,407
59	16,59,53,401	16,56,46,470	16,52,44,749
60	100.73	101.27	112.22
61	1,27,40,684	-1,06,931	3,23,98,279

1919-1920.	1920-1921.	1921-1922.	Item Number.
8,16,74,000 (Apl.)	6,65,19,000(Apl.)	7,8,08,000(Feb.)	39
7,43,58,000(Dec.)	6,13,12,000 (Sep.)	6,36,30,000 (Apl.)	40
74	63½	42½	41
49½	39½	34½	42
69½	61	63½	43
54½	51½	55½	44
60½	53	55½	45
47½	43½	47½	46
50½	43	46½	47
40	37½	39½	48
...	...	108½	49
...	...	102½	50
...	...	94½	51
...	...	59½	52
...	...	...	53
...	...	...	54
1,85,14,79,000 (Jan.)	1,70,73,89,000 (April)	1,79,71,49,000 (Oct.)	55
1,53,73,07,000 (April)	1,57,62,62,000 (Sept.)	1,67,31,85,000 (Apl.)	56
10,670	16,713	10,759	57
1,760,443	1,87,967	1,959,324	58
21,34,84,628	22,86,21,716	22,26,24,625	59
131'26	121'73	113'69	60
2,52,50,787	1,51,97,069	- 50,96,891	61

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FINANCIAL STATISTICS—contd.

MISCELLANEOUS—contd.

Item Number.	1923-1923, Revised.	1923-1924, Budget.	
39	10,50,48,000 (Nov.)		Maximum amount outstanding on London Register of Rupee Securities encased for Interest Drafts R
40	9,68,19,000 (May.)		Minimum amount outstanding on London Register of Rupee Securities encased for Interest Drafts R
41	38½		Maximum price in London of 3½ per cent. (Rupee Securities in Gold)
43	34½		Minimum price in London of 3½ per cent. (Rupee Securities in Gold)
43	60½		Maximum price in London of India 3½ per cent. Stock
44	62½		Minimum ditto ditto
45	59½		Maximum price in London of India 3 per cent. Stock
46	53½		Minimum ditto ditto
47	50½		Maximum price in London of India 2½ per cent. Stock
48	44½		Minimum ditto ditto
49	119½		Maximum price in London of 7 per cent. Stock
50	108		Minimum ditto ditto
51	101½		Maximum price in London of 6½ per cent. Stock
52	93½		Minimum ditto ditto
53	85½		Maximum price in London of 4½ per cent. Stock
54	83½		Minimum ditto ditto
55	1,82,36,25,000 (Aug.)		Maximum Govern ment Paper Currency outstanding R
56	1,71,78,07,000 (Apl.)		Minimum ditto ditto R
57			Number of Post Office Savings Banks
58			Number of accounts in Post Office Savings Banks
59			Amount deposited in Savings Banks R
60			Average of each deposit
61			Net addition to deposits R

Appendix III—continued.

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COMMERCIAL AND FINANCIAL STATISTICS.

Table II.—Capital Expenditure on State Railways in 1921-1922, and Estimated Expenditure on such works in 1922-1923 and 1923-1924, and to end of 1923-1924.

RAILWAYS.	To end of 1920-1921.	Accounts, 1921-1922.	Revised Estimate, 1922-1923.	Budget Estimate, 1923-1924.	To end of 1923-1924.	Sanctioned outlay.	Balance remaining unspent.	REMARKS.
	R	R	R	R	R	R	R	
OPEN LINES.								
State Railways Worked by State.								
Aden Railway	9,89,909	2,25,987	1,99,000	83,000	14,97,896	...	...
Delhi (new Capital) Railway Works scheme.	3,63,993	11,77,156	27,32,000	26,00,000	68,73,149	...	...
Eastern Bengal	39,05,69,990	1,12,46,622	71,00,000	1,25,28,000	42,14,44,613	...	...
Jodhpur-Hyderabad (British Section).	46,17,925	40,951	2,86,000	3,00,000	52,44,876	...	...
North Western :—								
Commercial	97,79,82,296	2,86,15,379	1,37,12,000	3,21,11,000	1,05,24,20,675	..	...
Military			16,71,088	51,43,000	16,85,000	4,99,088
Oudh and Rohilkhand	23,88,17,261	68,31,211	80,95,000	1,22,50,000	26,59,93,474	...	...
Stores	48,74,634	—34,04,228	44,68,000	1,02,14,000	1,61,52,406	...	...
Abandoned projects	32,86,316	...	...	...	32,86,316	...	...
Karanpura coalfield . . . . .	...	...	14,00,000	...	14,00,000	...	...
TOTAL STATE RAILWAYS WORKED BY STATE	1,62,15,02,324	4,64,04,166	4,31,35,000	7,17,71,000	1,78,28,12,490	...	...

BUDGET FOR 1923-24.

OPEN LINES.

State Railways Worked by Companies.

Almedabad-Dholka	...	...	13,00,000	...	13,00,000	...	...
Agra-Delhi Chord	1,50,35,845	78,278	60,000	1,92,000	1,53,66,123	...	...
Assam-Bengal Part I	17,41,30,999	6,714	45,000	25,000	18,93,92,949	...	...
" II		52,42,236	50,38,000	46,05,000		...	...
Baran-Kotah	49,50,604	9,197	2,000	10,00 0	49,71,801	...	...
Bengal-Nagpur Railway	48,45,04,356	3,90,19,317	3,15 87,000	3,20,00,000	58,71,10,673	...	...
Bezwada Extension	13,01,807	89,798	70,000	3,86,000	17,97,600	...	...
Bhopal	44,10,784	78,655	68,000	2,48,000	47,95,439	...	...
Bombay, Baroda and Central India.	49,80,40,089	1,69,75,039	2,97,50,000	3,20,00,000	57,67,05,128	...	...
Burma	20,38,72,355	57,66,559	65,90,000	50,97,000	22,55,90,398	...	...
Burma Railway Extensions.		74,424	19,12,000	22,78,000		...	...
Cawnpore-Banda.	81,59,740	16,685	50,000	95,000	89,21,425	...	...
Coonoor-Ootacamund	47,42,664	1,81,086	89,000	1,52,000	51,14,750	...	...
Dhone-Kurnool	10,18,342	...	12,000	5,000	10,35,342	...	...
East Indian including South Bihar.	76,05,85,313	2,40,87,918	1,77,80,000	3,04,65,000	63,20,18,281	...	...
Great Indian Peninsula Railway System	70,85,65,580	2,23,56,529	86,09,000	3,17,96,000	77,13,27,109	...	...
Lucknow-Bareilly	1,39,19,285	75,633	26,82,000	3,50,000	1,70,26,918	...	...
Madras and Southern Mahratta Railway.	40,53,98,251	81,65,722	85,11,000	1,24,60,000	44,05,34,973	...	...
South Indian	18,66,75,770	1,40,96,625	1,51,44,000	1,60,38,000	21,25,44,305	...	...
Southern States (Thazi Aungmye).	1,63,17,450	4,36,244	1,34,000	75,000	1,69,62,694	...	...
Carried over	3,47,16,29,234	13,67,1,1714	12,93,78,000	17,48,87,000	3,91,25,75,948	...	...

Appendix III—continued.

TABLE II—contd.

RAILWAYS.	To end of 1920-1921.	Accounts, 1921-1922.	Revised Estimate, 1922-1923.	Budget Estimate, 1923-1924.	To end of 1923-1924.	Sanctioned outlay.	Balance remaining unspent.	REMARKS.
	R	R	R	R	R	R	R	
Brought forward	3,47,16,29,234	13,67,01,714	12,93,78,000	17,48,67,000	3,91,25,75,948			
Tinnevely Quilon (British Section).	43,67,521	5,228	50,000	1,10,000	45,32,749	...	...
Tinnevely Quilon (Indian State Section).	1,18,69,573	13,72,695	3,78,000	1,10,000	1,37,30,268	...	...
Tirhoot Railway and Extensions.	8,20,77,367	12,89,641	17,70,000	15,00,000	8,66,36,908	...	...
TOTAL STATE RAILWAYS WORKED BY COMPANIES.	3,56,99,43,595	13,93,69,278	13,15,76,000	17,65,87,000	4,01,74,75,873	...	...
TOTAL OPEN LINES	5,19,14,45,919	18,57,73,444	17,47,11,000	24,83,58,000	5,80,02,88,363	...	...
LINES UNDER CONSTRUCTION.								
State Railways worked by State.								
Khyber Railway (Military line).	10,39,707	61,72,587	69,87,000	54,00,000	1,95,99,294	1,96,85,820	86,526	
State Railways worked by Companies.								
Amda Jamda	28,33,492	29,47,249	38,07,000	28,33,000	1,24,20,741	73,17,636 (a)		(a) Revised Estimate awaits.
Bermo Duneya Section—								
East Indian Railway share.	78,000	1,64,581	9,63,000	2,52,000	14,57,581	} 26,37,771 (a)		
Bengal Nagpur Railway share.	98,199	5,88,050	9,63,000	3,63,000	20,12,249			

Bombay Harbour Branch Extension.	35,85,058	13,99,481	13,95,000	16,55,000	79,34,539	71,97,901 (b)	(b) Estimate amounting to R97,66,289 is under consideration.
Vizagapatam Harbour.	9,77,115	3,36,536	7,05,000	...	20,18,651	(c)	(c) Construction estimate not yet received.
Itarsi-Nagpur and branch to Pench Valley Coalfields.	2,77,62,630	23,26,605	10,50,000	45,36,000	3,56,75,235	8,09,83,163 (d)	(d) A revised estimate for Division No. 4 is under consideration.
Kasta Branch	14,87,000	8,75,716	2,43,000	...	26,05,716	26,04,683	(e) The project is at present in abeyance.
Onlajori Badampahar Branch	12,59,316	8,86,529	2,46,000	...	23,91,845	30,15,595	7,23,750
Parvatipore Singapore Road.	3,00,426	9,468	...	...	3,09,894	40,81,059 (e)	37,21,165
Majri Rajpur	...	1,76,564	10,00,000	14,20,000	25,96,564	22,11,387(f)	(f) Revised estimate amounting to R31,16,831 is under consideration.
South Karanpura Coalfields—							(g) Revised estimate awaited.
Bengal Nagpur	...	76,222	2,84,000	11,41,000	15,01,222	} 31,63,385 (g)	1,58,026
East Indian	...	6,137	4,64,000	10,34,000	15,04,197		
Dholka-Dhanduka	5,73,767	5,26,209	15,00,000	4,76,000	30,75,976	31,03,674	—27,698
Talchir Coalfields	...	...	5,43,000	45,00,000	50,43,000	...	
,, prospecting survey.	...	...	97,000	...	97,000	98,613*	*Construction estimate awaited.
Heala Chandil	...	...	2,00,000	45,00,000	47,00,000	...	
South Karanpura prospecting survey.	...	...	2,24,000	...	2,24,000	2,21,376*	
TOTAL LINEB UNDER CONSTRUCTION.	3,99,94,710	1,63,91,934	2,06,71,000	2,81,10,000	10,51,67,644		
Lapses in 1922-23, to be re-allotted in 1923-24.	...	...	...	8,63,95,000	8,63,95,000		
Reserve	...	...	...	78,16,000	78,16,000		
Readjustment of capital outlay in England of Railway Companies at the average rate.	—26,12,021	1,20,56,247	...	...	94,44,326		
Deduct—Lapses anticipated.	...	...	—91,59,000	...	—91,59,000		
TOTAL—Carried over	5,22,68,28,608	21,42,21,725	18,62,23,000	37,06,79,000	5,99,99,52,333		

Appendix III—continued.

TABLE II—contd.

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RAILWAYS.	To end of 1920-1921.	Accounts, 1921-1922.	Revised Estimate, 1922-1923.	Budget Estimate, 1923-1924.	To end of 1923-19 4.	Sanctioned outlay.	Balance remaining unspent.	REMARKS.
	R	R	R	R	R	R	R	
Brought forward	5,22,88,28,608	21,42,21,725	18,63,38,000	37,06,79,000	5,99,99,52,333			
Provincial—								
Jorhat	11,41,094	1,43,042	...	...	12,84,136			
United Provinces— Resin distillery	1,72,931	...	...	...	1,72,931			
Burma	19,51,576	35,19,690	...	...	54,71,266			
GRAND TOTAL	5,23,20,94,209	21,78,84,457	18,62,23,000	37,06,79,000	6,00,65,80,666			
Distributed as under—								
CAPITAL EXPENDITURE ON RAILWAYS (not charged to Revenue)—								
53. Construction of Rail- ways	3,84,00,86,214	22,96,38,935	20,16,05,000	38,63,95,000	4,65,77,25,149			
Total undischarged liability involved in the purchase by the State of the Capital of the Old Guaranteed Railway Companies	1,24,91,47,240*	-1,54,17,210*	-1,53,62,000	-1,57,16,000	1,20,26,32,030			

BUDGET FOR 1923-24.

CAPITAL EXPENDITURE ON RAILWAYS (charged to Revenue)—					
13. Construction of Railway—					
Central	13,31,95,909	...	...	...	13,31,95,909
Provincial	96,64,846	86,62,732	...	...	1,33,27,578
Total as above	5,23,20,94,209	21,78,84,457	18,62,23,000	37,06,79,000	6,00,68,80,666

Class and name of Railway:	Total initial liabilities.	DEDUCT—		Total undischarged liabilities.
		Amount redeemed by annuities.	Amount redeemed by sinking fund.	
		R	R	
State Railways worked by the State—				
Eastern Bengal Railway	4,92,01,450	58,87,060	28,82,270	4,04,32,120
North Western Railway	14,00,95,290	1,77,87,640	2,36,68,270	9,86,39,380
Oudh and Rohilkhand Railway	10,33,60,490	...	...	10,33,60,490
Total	29,26,57,230	2,36,74,700	2,65,50,540	24,24,31,990
State Railways worked by the Company—				
Bombay, Baroda and Central India Railway	14,48,04,460	...	...	14,48,04,460
East Indian Railway	37,51,10,740	5,84,17,800	4,04,16,880	27,62,76,560
Great Indian Peninsula Railway	47,51,06,620	9,54,80,010	...	37,96,26,610
Madras and Southern Mahratta Railway	14,96,43,580	1,59,78,800	...	13,36,64,780
South Indian Railway	5,69,25,570	...	...	5,69,25,570
Total	1,30,15,91,030	16,98,76,110	4,04,16,880	99,12,98,040
GRAND TOTAL	1,49,42,48,260	19,35,50,810	6,69,67,420	1,23,37,30,030

BUDGET FOR 1923-24.

Appendix III—continued.

COMMERCIAL AND FINANCIAL STATISTICS.

Table III.—Gross receipts, working expenses, and net receipts of State Railways for five years ending 1921-22, with Revised Estimates for 1922-23 and Budget Estimates for 1923-24.

(Omitting 000, except in Accounts.)

STATE RAILWAYS.	ACCOUNTS.					Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.		
	M.	M.	M.	M.	M.	M.	M.
Open mileage at beginning of year	26,572	26,464	26,106	26,580	26,799	26,952	27,108
	R	R	R	R	R	R	R
Gross Receipts.							
INDIA.							
STATE RAILWAYS WORKED BY THE STATE.							
Aden	1,43,485	2,00,020	1,20,109	2,69,839	2,50,523	2,28	2,10
Eastern Bengal	3,48,74,771	3,82,07,414	4,45,45,072	4,61,68,642	4,42,96,639	5,32,27	5,38,00
North Western—							
Commercial Lines	12,24,77,224	12,46,94,829	12,32,80,625	12,94,73,559	11,34,90,666	12,33,45	12,77,65
Military Lines								1,64,24,789	1,78,17	1,90,35
Oudh and Rohilkhand	2,82,00,370	3,29,48,935	3,14,64,244	3,26,48,785	3,31,24,469	3,54,62	3,60,00
STATE RAILWAYS WORKED BY COMPANIES.							
Assam Bengal	73,64,284	79,08,099	1,04,20,975	1,02,65,216	85,15,384	1,16,00	1,20,00
Bengal Nagpur	5,58,76,074	6,19,41,370	6,59,31,392	6,39,37,399	6,67,91,163	7,72,49	8,07,42
Beawada Extension	5,13,179	5,22,461	5,47,023	5,29,380	6,20,598	6,28	6,65
Bombay, Baroda and Central India System	8,02,80,536	9,46,52,452	9,67,12,806	9,94,16,377	10,25,31,934	11,76,75	11,80,00

Burma	2,20,65,877	2,63,70,461	2,97,14,049	}	3,26,29,019	3,51,73,283	4,13,95	4,27,20
Burma Railway Extensions	20,58,705	25,45,496	27,14,727					
Southern Shan States	4,39,884	4,80,827	5,29,400					
East Indian	11,61,42,477	13,43,96,239	13,25,76,404	}	13,84,16,068	13,38,87,673	14,91,88	16,90,00
Great Indian Peninsula including Indian Midland	10,55,60,401	11,88,02,697	12,60,42,370					
Agra-Delhi Chord	33,67,179	44,50,953	46,98,573					
Bhopal	9,94,950	11,16,515	11,00,906	}	12,76,267	12,06,962	14,82,6	14,81,44
Baran-Kotah	1,61,978	1,83,314	1,88,936					
Cawnpore-Banda	3,08,939	3,20,819	3,73,187					
Jodhpore-Hyderabad (British Section)	19,53,656	19,90,444	15,81,739	}	18,78,972	19,14,178	18,10	18,35
Lucknow-Bareilly	26,74,674	31,54,296	30,02,910					
Madras and Southern Mahratta Railway	5,20,76,904	5,42,92,629	5,73,95,956					
Mysore State lines	41,47,617	44,48,501	41,36,445	}	6,22,45,540	6,55,08,869	7,24,80	7,25,19
Dhone-Kurnool	1,20,216	1,43,714	1,76,329					
South Indian	3,53,61,272	3,58,90,979	4,01,48,113					
Tinnevelly-Quilon	11,46,203	15,11,462	18,44,613	}	4,27,06,378	4,59,62,936	5,12,75	5,41,10
Tirhoot	92,55,829	1,09,19,483	1,11,33,060					
Exchange	...	...	...		
							2,42	2,41
Total Central	68,74,66,684	76,21,39,459	79,01,40,545		80,97,75,233	81,69,27,377	92,02,42	95,52,41
India	68,74,66,684	76,21,39,459	79,01,40,545		80,92,89,163	81,64,42,250	92,02,42	95,52,41
England	16,09,425	3,08,925	7,29,105		4,86,070	4,85,127	4,84	4,83
TOTAL	68,90,76,109	76,24,48,384	79,08,69,650		80,97,75,233	81,69,27,377	92,07,26	95,57,24

Appendix III—continued.

TABLE III—contd.

STATE RAILWAYS.	ACCOUNTS.					Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.		
	R	R	R	R	R	R	R
Working Expenses:							
INDIA.							
STATE RAILWAYS WORKED BY THE STATE.							
Aden	1,75,253	2,56,014	—48,185	2,16,857	3,24,009	3,06	2,80
Eastern Bengal	2,01,05,680	2,25,04,170	3,02,66,454	2,98,24,284	3,76,49,787	4,31,03	4,10,77
North-Western—							
Commercial lines	5,24,46,836	6,86,38,796	8,04,38,819	10,09,84,480	10,33,44,038	9,71,33	9,18,58
Military lines							
Oudh and Rohilkhand	1,07,12,455	1,32,83,182	1,82,62,800	1,94,62,004	2,58,18,184	2,70,61	2,43,21
STATE RAILWAYS WORKED BY COMPANIES.							
Assam Bengal	55,08,773	62,66,776	84,18,871	83,01,021	84,38,775	94,37	93,67
Bengal Nagpur	2,63,97,566	3,03,67,272	3,88,42,829	4,38,60,570	5,33,17,921	4,40,95	4,84,09
Bcwada Extension	2,44,255	1,68,179	2,48,211	2,87,307	4,53,144	4,86	10,03
Bombay, Baroda and Central India System	3,50,50,406	4,19,55,223	5,33,70,406	6,75,12,138	7,99,28,942	8,65,00	7,65,00

Burma Railways	1,17,08,856	1,38,97,390	1,62,64,108	}	2,21,87,533	2,47,26,298	2,50,57	2,43,62
Burma Railway Extensions	11,19,275	14,27,905	17,16,303					
Southern Shan States	4,16,935	4,53,119	5,29,640					
East Indian	4,08,74,776	4,65,18,866	5,88,77,044	7,40,71,007	8,57,40,108	9,84,58	9,77,20	
Great Indian Peninsula including Indian Midland	5,71,01,787	6,96,05,861	7,86,59,628	9,67,79,411	11,80,71,491	}	11,98,09	10,81,73
Agra-Delhi Chord	17,92,510	25,44,969	29,41,579	38,72,250	43,05,257			
Bhopal	5,29,657	6,37,130	6,90,091	9,82,360	11,03,748			
Baran-Kotah	80,989	91,657	94,468	1,62,889	1,16,928			
Cawnpore-Banda	1,79,755	1,99,214	2,54,208	3,19,083	4,34,314			
Jodhpore-Hyderabad (British Section)	8,87,890	9,37,398	10,00,697	12,48,456	15,13,210	17,93	18,08	
Lucknow-Bareilly	11,01,609	13,29,501	16,91,503	19,96,187	17,56,898	20,28	19,19	
Madras and Southern Mahratta Railway	2,46,21,576	2,68,03,903	3,17,82,724	}	4,17,61,942	4,59,12,876	4,77,95	4,83,75
Mysore State lines	19,91,442	22,00,032	22,76,326					
Dhone-Kurnool	73,822	87,891	1,07,174						1,29,37	1,39,434
South Indian	1,52,01,322	1,57,04,971	2,18,16,709	}	2,56,95,051	3,34,02,156	3,69,07	3,38,08
Tinnevely-Quilon	6,68,841	7,05,884	11,03,963					
Tirhoot	43,76,248	40,64,400	49,49,391	54,83,297	55,71,764	65,42	61,57	
Reserve . . . . .	...	...	...	...	...	...	14
Deduct—Lapses anticipated . . . . .	...	...	...	...	...	50,00	85,82
TOTAL CENTRAL	31,34,57,514	37,06,49,703	45,45,55,861	54,51,37,464	65,66,78,003	65,83,85	63,01,50	

Appendix III—continued.

TABLE III—contd.

STATE RAILWAYS.	ACCOUNTS.					Revised Estimate, 1922-23.	Budget Estimate, 1923-24.
	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.		
Net Receipts, INDIA.	R	R	R	R	R	R	R
STATE RAILWAYS WORKED BY THE STATE.							
Adon	—31,768	—55,994	—71,924	52,982	—73,486	—78	—70
Eastern Bengal	1,47,69,091	1,57,03,274	1,42,78,618	1,62,84,358	66,46,852	1,01,24	1,27,23
North Western—							
Commercial lines	7,00,30,888	5,60,56,033	4,28,41,806	2,87,89,079	1,01,46,628	2,62,12	3,59,07
Military lines					—81,83,932	—50,58	—43,46
Oudh and Rohilkhand	1,74,87,015	1,96,65,753	1,32,01,444	1,31,86,781	73,18,285	84,01	1,16,79
STATE RAILWAYS WORKED BY COMPANIES.							
Assam Bengal	17,55,511	16,41,823	20,02,104	19,64,195	76,809	21,63	26,33
Bengal Nagpur	2,94,78,508	3,15,74,098	2,70,88,563	2,00,76,829	1,34,73,242	3,31,54	3,23,33
Beawala Extension	2,68,924	3,54,382	2,96,812	2,42,073	1,67,454	1,42	—3,38
Bombay, Baroda and Central India System	4,52,30,130	5,27,37,229	4,33,42,400	3,19,04,239	2,26,02,992	3,11,75	4,15,00
Burma Railways	1,02,67,021	1,24,73,091	1,34,49,941				
Burma Railway Extensions	9,39,430	11,17,591	9,98,424	1,04,41,486	1,04,46,985	1,63,38	1,83,58
Southern Shan States	22,949	27,708	—240				
East Indian	7,52,67,701	8,78,77,373	7,36,99,360	6,43,45,061	4,61,47,565	5,07,30	7,12,80

Great Indian Peninsula including Indian Midland	4,84,58,614	4,91,96,836	4,73,82,742	3,11,56,446	80,90,154	} 3,41,47	} 4,02,71
Agra-Delhi Chord	15,74,669	19,05,984	17,57,294	11,58,417	4,02,538		
Bhopal	4,65,293	4,79,335	4,10,815	2,93,887	1,03,214		
Baran-Kotah	80,989	91,657	94,468	...	60,314		
Cawnpore-Banda	1,29,184	1,21,605	1,18,879	70,171	15,993		
Jodhpore-Hyderabad (British Section)	10,65,766	10,53,04	5,81,042	6,30,516	4,00,968	17	27
Lucknow-Bareilly	15,73,065	18,24,795	13,11,407	9,85,539	17,45,238	15,26	17,51
Madras and Southern Mahratta Railway	2,74,55,328	2,74,88,726	2,56,13,232	} 2,04,23,598	} 1,95,95,993	} 2,46,85	} 2,41,44
Mysore State lines	21,56,175	22,48,469	18,60,119				
Dhone-Kurnool	46,894	60,823	69,655	52,766	45,743		
South Indian	2,01,59,950	2,01,86,008	1,83,31,404	} 1,70,11,327	} 1,25,60,780	} 1,43,68	} 2,03,02
Tinnevely-Quilon	4,77,362	8,05,578	7,40,650				
Tirhoot	48,79,581	68,55,083	61,83,609	55,08,019	64,52,185	82,69	83,28
Reserve	...	...	...	...	...	...	14
Lapses anticipated in Working Expenses	...	...	...	...	...	50,00	85,82
Exchange	...	...	...	...	...	2,42	2,41
TOTAL CENTRAL	37,40,09,170	39,14,89,756	33,55,84,684	26,46,37,769	16,02,49,374	26,18,57	32,50,91
England	16,09,425	3,08,925	7,39,105	...	...	4,84	4,83
Grand Total	37,56,18,595	39,17,98,681	33,63,13,789	26,46,37,769	16,02,49,374	26,23,41	32,55,74

Appendix III—concluded.

COMMERCIAL AND FINANCIAL STATISTICS.

Table IV.—Capital Account of Indian Branch Line Companies.

RAILWAYS.	ACTUALS, 1921-22.		REVISED ESTIMATE, 1922-23.		BUDGET ESTIMATE, 1923-24.	
	Receipts.	Withdrawals.	Receipts.	Withdrawals.	Receipts.	Withdrawals.
	R	R	R	R	R	R
Ahmedabad-Parantij	1,000	926	...	...	...	...
Amritsar-Patti-Kasur	72,000	20,678	...	40	41	53
Baripada Talband including Panposh Raipura.	1,42,396	1,54,370	3,10	3,10	...	...
Branch lines under the Bombay, Baroda and Central India Railway.	...	...	1,32	1,32	9,59	9,59
Central Provinces Railways	11,000	13,289	66	76	25	25
Cheparnak-Silghat	—32,641	—18,649	52	52	...	...
Dhind-Baramati . . . . .	...	...	17	20	...	...
Hardwar-Dohra	37,200	36,908	1,10	1,10	2,20	2,20
Katakhal-Lala Basar	3,47,277	4,31,329	5,50	5,50	91	91
Mymensingh-Bhairab Basar.	...	...	1,90	1,90	3,10	3,10
Khulna-Bagerhat	10,000	12,931	6	8	98	98
Mandra-Bhann . . . . .	...	...	1	9	40	40
Pachora-Jamner	4,000	7,029	26	45	10	10
Sara Sarajnuj	10,808	6,313	41	45	5,75	5,75
Sialkot-Narawal	—13,000	—1,080	...	...	...	5
Tapti-Valley	1,46,000	53,129	...	...	...	...
Total	7,36,040	7,17,179	15,31	16,17	23,69	23,86
Net receipts or withdrawals.	18,861	...	...	86	...	17