

EAST INDIA (FINANCIAL STATEMENT).

1883 — 84

RETURN to an Address of the Honourable The House of Commons,
dated 13 April 1883;—for,

C O P Y

O F

MAJOR BARING'S
FINANCIAL STATEMENT,
1883.

(In continuation of Parliamentary Paper, No. 181, of Session 1882.)

India Office,
17 April 1883.]

J. K. CROSS,
Under Secretary of State for India.

(*Mr. Pugh.*)

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FINANCIAL STATEMENT FOR 1883-84.

I N D E X.

	PAGE.
I.—Preliminary	3
II.—Changes in the Forms of the Accounts and Estimates	4
III.—Accounts of 1881-82	15
IV.—Effect of Abolishing the Import Duties	16
V.—Effect of Reducing the Duty on Salt	19
VI.—Revised Estimates, 1882-83	23
VII.—The Wheat Trade	30
VIII.—Budget Estimates, 1883-84	37
IX.—The License Tax	42
X.—Stock Notes and Post Office Savings Banks	42
XI.—Ways and Means	43
XII.—Conclusion	45

A P P E N D I C E S.

A P P E N D I X I.

Accounts and Estimates (New Classification)	47
General Statement of Accounts and Estimates	48
Abstract A.—Details of Revenue	50
Abstract B.—Details of Expenditure	52
Abstract C.—Details of Receipts and Disbursements other than Revenue and Expenditure	56
Abstract D.—Provincial and Local Balances	58
Abstract E.—Statement of Net Revenue and Expenditure	60

A P P E N D I X II.

Accounts and Estimates (Old Classification)	63
Statement I.—Revenue and Expenditure of the Government of India in India and in England	64
Statement II.—Revenue and Expenditure of the Government of India in India and in England (distinguishing Revenue and Charges of Productive Public Works)	66
Statement III.—Revenue and Expenditure of the Government of India in India and in England in the three divisions, Imperial, Provincial, and Local	68
Statement IV.—Receipts and Disbursements at the Treasuries of the Government of India in India and in England	70
Statement V.—Revenue and Expenditure of the Government of India in India	72
Statement VI.—Revenue and Expenditure of the Home Treasury of the Government of India	74
Statement VII.—Receipts and Disbursements at the Treasuries of the Government of India in India	76
Statement VIII.—Receipts and Disbursements at the Home Treasury of the Government of India	78
Statement IX.—Closing Balances of the Provincial Governments	78
Statement X.—Statement showing the Net Revenue and Expenditure of India	80

A P P E N D I X III.

Accounts of the Eleven Years, 1871-72 to 1881-82, and Estimates for 1882-83 and 1883-84 (New Classification)	83
General Statement	84
Details of Revenue	86
Details of Expenditure	88

A P P E N D I X IV.

Memorandum on Provincial and Local Surpluses and Deficits	94
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A P P E N D I X V.

Trade	97
Imports and Exports from 1st April 1882 to 31st December 1882, compared with the corresponding period of the year 1881	98
Statement showing the Quantities and Values of Articles imported into British India (from Foreign Countries), which were exempted from Customs Duty by the Indian Tariff Act XI of 1882, for the Ten Months from 1st April 1882 to 31st January 1883, compared with the corresponding period of the year 1881-82	98
Memorandum on the Import of Government Stores from Europe	100

A P P E N D I X VI.

The Military Budget Estimates, 1883-84:	
Minute by the Honourable Lieutenant General T. F. Wilson, c.b.	102

MAJOR BARING'S
FINANCIAL STATEMENT,
1883.

FINANCIAL STATEMENT.

I.—PRELIMINARY.

1. No legislation will be undertaken in connection with the financial arrangements for the year 1883-84. Under these circumstances the law does not permit of the Financial Statement being made in the Legislative Council. That statement must take the form of a written Minute, which will be published in the "Gazette of India." PRELIMINARY.

2. It may perhaps be as well that, at the risk of repeating what has often been said before, I should explain the precise condition of the law bearing upon the present issue. Law bearing on
Financial State-
ment.

3. Section 19 of 24 & 25 Vict. c. 67 (the Indian Councils Act, 1861) is conceived in the following terms:—

"No business shall be transacted at any meeting for the purpose of making "Laws and Regulations" (with the exception of the amendments of the rules for the conduct of business) "other than the consideration and enactment of "measures introduced into the Council for the purpose of such enactment."

It results, therefore, that as no legislation is proposed in connection with the financial arrangements for the year 1883-84, the Financial Statement cannot be made in the Legislative Council without a contravention of the law which governs the proceedings of that Council. This, as was explained by Lord

* Legislative Council Proceedings of 5th March 1873. Northbrook in 1873,* "is not a mere

"technical or formal difficulty, for not only "are the words of the Act in themselves explicit, but, in order to prevent any "possible misconception, it was explained by the Secretary of State, in the "Despatch No. 14 of the 9th of August 1861, with which the Act was trans- "mitted to India, that one object of the 19th section of that Act was that this "(i.e., the Legislative) Council should not "interfere with the functions of the "Executive Government, and occupy its time with matters which are not "directly and immediately connected with the special duties assigned to it," "that is to say, the consideration and enactment of Laws and Regulations."

4. I regret that the condition of the law precludes the possibility of any discussion on the existing financial situation in the Legislative Council. The law on the subject is, however, explicit, and must of course be obeyed. The Government has no discretionary power in the matter.

5. Except in cases where the words "true sterling" are entered in a parenthesis after any figure, all the figures in this statement are, as usual, given in "conventional sterling," that is to say, 1 l.=Rs. 10. On the occasion of the last Financial Statement (para. 1), I explained the reasons which render the continuance of this system, for the present at all events, desirable. Figures in conven-
tional sterling.

6. The explanations in this Statement are given upon the figures as arranged in Appendix I.

II.—CHANGES IN THE FORMS OF THE ACCOUNTS AND ESTIMATES.

CHANGES IN THE
FORMS OF THE
ACCOUNTS AND
ESTIMATES.

7. Judging from the remarks which are frequently made both in and out of Parliament, it would appear that the Accounts and Estimates of the Government of India are regarded by many people as a financial puzzle, which none but experts can hope to understand. It not unfrequently happens that those who cannot understand them rush to the conclusion that the figures, in the form in which they are presented to the public, are wrong and misleading; that there is something radically unsound in Indian financial affairs; that the surpluses are no surpluses at all, but that they would, were the figures properly presented, be turned into deficits; in fact, that an Indian Financial Statement is merely a more or less dexterous manipulation of figures, and not an accurate indication of the financial situation of the Government of India.

Present system is
scientifically
sound;

8. I should be the last to wish to underrate the difficulties connected with the administration of the Indian finances. Our standard of value is unstable. Our opium revenue is precarious. The tax-paying community is poor and incapable of bearing any heavy burthens. War and famine are constantly recurring evils. The comparative absence of private capital throws upon the State many onerous duties which in other countries can be more advantageously performed through the agency of private enterprise. All this is true enough. But it is wholly erroneous to suppose that the difficulties of Indian financial administration, considerable though they be, are in any way connected with questions of technical finance. The issue is, in fact, a false one. The machinery for the conduct of our technical finance is remarkably good. I believe it may challenge comparison with that of any other Government in the world. The Accounts and Estimates represent truly and accurately the money received and spent by the Government. The surpluses are real surpluses, and the deficits are real deficits. The figures present neither an optimist nor a pessimist view of the financial situation. They give the bald and true facts of the situation as they stand, without exaggeration in one direction or another.

But is not
generally under-
stood.

9. But, however scientifically sound and accurate may be our system of Accounts, nothing is more certain than that the public finds great difficulty in understanding the figures which are published on the occasion of the annual Financial Statement. In proof of this assertion I need only mention that a leading London newspaper, in reviewing the Budget last year, made a mistake of about 2,000,000 £., owing to a misapprehension of the true meaning of the Estimates as they were presented to the public.

Some reforms are
desirable,

10. It is manifestly the duty of the Government to do all that it can to ensure a comprehension of its Accounts and Estimates. At the same time it is to be remembered that the financial transactions of the Government of India are very large and complicated. Those of the English Treasury are, relatively speaking, much more simple. No one can hope to gain a thorough insight into the true meaning of the Indian Accounts and Estimates, unless he is prepared to devote a certain amount of time and trouble to the task. The most that the Government can do is to facilitate their comprehension to the utmost by arranging the figures in the most simple and concise form of which the circumstances admit.

And also possible.

11. The whole of this question has been fully considered within the last few months, and it has been found possible to re-arrange the figures in such a manner as to maintain intact our present system, which, as I have already said, is everything that can be desired from a departmental point of view, whilst at the same time I trust that the Accounts and Estimates in their new form will be more easily comprehensible to the public than appears heretofore to have been the case.

Description of
existing system.

12. Before proceeding any further, it will be desirable that I should describe the forms in which the Accounts and Estimates have heretofore been presented to the public.

13. Up to the present time the ten following documents have been appended to the Financial Statement:—

Documents hereto-
fore attached to
the Financial
Statement.

Statement I.—*Revenue and Expenditure of the Government of India in India and in England.*—This Statement gives the whole of the Revenue, whether Imperial, Provincial, or Local, under 29 major heads, and the whole of the Expenditure,

Expenditure, whether Imperial, Provincial, or Local, under 37 major heads of Account.

Statement II.—*Revenue and Expenditure of the Government of India in India and England.*—The only difference between this Statement and Statement I. is that the Revenue from *Productive Public Works* is shown separately, instead of being amalgamated with other Revenue connected with Public Works, as is done in Statement I. A corresponding separation is made on the Expenditure side of the Account. It is on the figures, as arranged in this Statement, that the explanations given at the time of the Budget by the Financial Member of Council have heretofore been based.

Statement III.—*Revenue and Expenditure of the Government of India in India and in England in the three Divisions, Imperial, Provincial, and Local.*—This Statement gives the same figures as in Statements I. and II., but arranged so as to show to what extent the Revenue and Expenditure are respectively Imperial, Provincial, and Local.

Statement IV.—*Receipts and Disbursements of the Government of India in India and England.*—This Statement gives the joint cash account of the Home and Indian Treasuries.

Statement V.—*Revenue and Expenditure of the Government of India in India.*—This Statement gives in detail the Revenue and Expenditure exclusive of all transactions in England.

Statement VI.—*Revenue and Expenditure of the Home Treasury of the Government of India.*—This Statement gives the detail of the Revenue and Expenditure in England.

Statement VII.—*Receipts and Disbursements at the Treasuries of the Government of India in India.*—This Statement shows what portion of the total sums given in Statement IV. are received and disbursed in India.

Statement VIII.—*Receipts and Disbursements at the Home Treasury of the Government of India.*—This Statement shows what portion of the total sums given in Statement IV. are received and disbursed in England.

Statement IX.—*Closing Balances of the Provincial Governments.*—Statement VII. gives the closing balance of the Imperial and Provincial Governments collectively. Statement IX. shows how much of this amount is reckoned at the credit of each Provincial Government.

Statement X.—*Statement showing the Net Revenue and Expenditure of India.* This Statement was published for the first time in March 1882.

14. The difficulty of understanding the Indian Accounts and Estimates seems to arise mainly from two causes. In the first place they are too bulky. In the second place, the development of Provincial and Local Finance has given rise to the necessity of adjusting entries, which to those who are not fully acquainted with the somewhat complicated detail of the arrangements made between the Imperial and Provincial Governments are, without doubt, rather difficult to understand.

Reasons why the Accounts are difficult to understand.

15. As regards the bulkiness of the published Statements, it is to be observed that under Mr. Wilson's classification in 1861 the Revenue was shown under 15, and the Expenditure under 23 major heads of account. The Commissioners in their Report of 1864 somewhat expanded this classification, and in 1866 Mr. Massey, adopting generally the proposals of the Commissioners, showed the Revenue under 20, and the Expenditure under 32 heads.

Bulkiness of Accounts and Estimates.

16. Since 1866 new administrative wants have sprung up, with the result that, in order to keep pace with those wants, it has from time to time been necessary to open new heads of Account. The passing of the Registration Acts led to the opening of a new head, entitled *Registration*, on both sides of the Account. The policy of financial decentralisation, and the incorporation into the General Accounts of Local Revenue and Expenditure, necessitated a new head of Account under the title of *Provincial Rates*. In 1870 the heading *Minor Departments* first made its appearance. The expenditure under this head had formerly appeared under *Administration*. With the adoption of the policy of lending officers to Native States, the necessity arose of opening a new head of Account, entitled *Civil Furlough Allowances*. The major head of *Famine Relief*

and

and Insurance, which is now divided into three sub-heads, viz., *Relief, Protective Works, and Reduction of Debt*, was opened as a necessary result of the famine policy of 1877 and 1881. It was also, from time to time, found necessary to add new heads of revenue under the titles of *Medical, Stationery, and Superannuation Allowances*. But it is under Public Works that the greatest development has occurred. The single head *Public Works* on either side of the Account was all that was required in 1861. Exclusive of Capital Expenditure on *Productive Public Works*, which stands outside the Ordinary Account, and exclusive of the grants for *Protective Works* under *Famine Relief and Insurance*, we have now in Statement II. no less than nine figures on the Revenue, and 11 figures on the Expenditure side of the Account, representing Public Works transactions.

17. In all, Mr. Massey's 20 figures on the Revenue side of the Account had increased in March 1882 to 36, and his 32 figures on the Expenditure side of the Account had increased to 49.

Requirements of
the public.

18. There is not one detail which is at present given in our Statements of Account, which, for Departmental purposes, could be spared. On the other hand, it is impossible not to recognise that the Statements give more detail than is generally required by the public. What I conceive is mainly required by Parliament and by the public is to present the Accounts and Estimates in a form sufficiently concise and simple to be easily understood by those who do not make a special study of Indian Finance, but whose general knowledge of financial subjects enables them readily to understand an account presented in a clear form. Full details should indeed, as at present, be published, but in a separate form.

How they may be
met.

19. The only way in which we can attain the conciseness and simplicity required by the public, and at the same time meet the necessities of administrative and departmental convenience, will be to push the grouping of the heads one stage further than the "major heads" which have heretofore been shown in the documents appended to the Financial Statement. To make any material alteration in our major heads would either render an accurate comparison with the figures of past years impossible, which would be very objectionable, or it would involve the re-compilation of the Accounts of past years, which would be a very laborious process. With one exception, of slight importance, no such alteration is either desirable or necessary.

Division of one
major head only.

20. The exception to which I allude, is in respect to the heading on the Expenditure side of the Account, which has, up to the present time, been entitled *27. Allowances and Assignments under Treaties and Engagements*. In the classification adopted from 1861 to 1866, the charges under this head were treated, along with refunds and charges for the collection of Revenue, as direct charges against Revenue. This is also where they are placed in the existing General Account (No. 2 of the Finance and Revenue Accounts); and their close connection with this group is shown in two recent instances, namely, the Excise compensations paid in Bombay, and the payments under the Salt Treaties. Both of these are payments on account of Revenue, and are productive of a corresponding increase of Revenue. They are, therefore, not properly accounted for unless they are grouped as direct charges against Revenue. But such a payment as the yearly allowance of the Ex-King of Oudh, which also goes under this head, cannot properly be considered as a charge against Revenue. It may be more properly regarded as a purely political charge. We propose, therefore, in the future to break up the existing major head into two portions. One of these portions, entitled *Assignments and Compensations*, will be grouped under *Direct Demands on the Revenue*. The other, entitled *Territorial and Political Pensions*, will be grouped under *Miscellaneous Civil Charges*. With this exception no change will be made in the existing units of account.

New classification.

21. I now invite attention to Appendix I. attached to this Minute. This Appendix contains the six following documents:—

- (1.) General Statement of Accounts and Estimates.
- (2.) Abstract A. Details of Revenue.
- (3.) Abstract B. Details of Expenditure.

(4.) Abstract

(4.) Abstract C. Details of Receipts and Disbursements other than Revenue and Expenditure.

(5.) Abstract D. Provincial and Local Balances.

(6.) Abstract E. Net Revenue and Expenditure.

For the future these six Statements will take the place of the ten Statements heretofore published.

22. Any one who wishes to see at a glance the nature of the whole of the financial transactions of the Government of India for the years under review need only look at the General Statement. He will there see the total Revenue and Expenditure,—whether Imperial, Provincial, or Local, and whether in India or in England,—grouped under a few main heads. He will also see the whole of the cash transactions, which stand outside the Revenue and Expenditure Account. He will also see the opening and closing balances of the Government, whether in England or in India. Thus, for instance, looking to the Accounts for the year 1881-82, it will be seen that the Revenue amounted to 73,695,806*l.*, and the total Expenditure charged against Revenue to 71,113,079*l.*, thus leaving a surplus of 2,582,727 *l.*; that the total Receipts, including not only Revenue, but the net receipts on account of *Debt, Deposits, and Advances*, and the gross receipts of the Secretary of State on account of Bills drawn on India, amounted to 93,516,749 *l.*; that the total Disbursements, including not only Expenditure charged against Revenue, but also Capital Expenditure on *Productive Public Works* and Disbursements on account of *Debt, Deposits, and Advances*, and of Council Bills, amounted to 93,871,777 *l.*; that the opening cash balance in England on 1st April 1881 amounted to 4,127,749 *l.*; that the opening cash balance in India on 1st April 1881 amounted to 13,371,101 *l.*; that the Secretary of State drew Bills on the Indian Treasury amounting to 18,412,429 *l.* between 1st April 1881 and 31st March 1882, and that Bills amounting to 18,336,997 *l.* were paid during the same period; that the closing cash balance in England on 31st March 1882 amounted to 2,620,909 *l.*; and that the closing cash balance in India on 31st March 1882 amounted to 14,522,913 *l.* These are the leading financial features of the year.

The General Statement.

23. We have carefully considered the extent to which it will be desirable to give details in the General Statement. I may observe that, in the main Statement attached to the Finance Accounts of the United Kingdom, the Revenue is shown under ten heads, and the Expenditure, excluding *Interest on Debt*, which for special reasons has eight heads to itself, is shown under 14 heads. We have roughly taken the Statement issued by the English Treasury, which is an admirable composition of its kind, as a model for our guidance.

Details in General Statement.

24. The first entry in the General Statement on the Receipt side of the Account is *Principal Heads of Revenue*. This group contains eleven items (*vide* Abstract A.), of which five only are shown separately in the General Statement. These are—

Principal Heads of Revenue.

Land Revenue.
Opium.
Salt.
Stamps.
Excise.

25. These are the main heads of Indian Revenue. They have, following the English system, been arranged in what may approximately be considered the order of their relative importance. The remaining items grouped under *Principal Heads of Revenue* are classed in the General Statement under *Other Heads*. This entry includes the following heads:—

Provincial Rates.
Customs.
Assessed Taxes.
Forest.
Registration.
Tributes from Native States.

Any one who wishes to see the detail under these heads has only to turn over the page and look at Abstract A., to which he is referred in the first column of the General Statement.

Post Office, &c.

26. The next item is *Post Office, Telegraph, and Mint*.—These are given in one figure in the General Statement; but are separated in Abstract A.

Receipts by Civil Departments.

27. The next entry in the General Statement is *Receipts by Civil Departments*, a term borrowed from the English Finance and Revenue Accounts. On turning to Abstract A. it will be seen that this group includes the following heads of Account:—

Law and Justice.
Police.
Marine.
Education.
Medical.
Scientific and other Minor Departments.

Miscellaneous.

28. The entry *Miscellaneous* in the General Statement includes—

Interest.
Receipts in aid of Superannuations, &c.
Stationery and Printing.
Miscellaneous.

The details of each item are given in Abstract A.

Productive Public Works.

29. It will be borne in mind that in Statement II., under the old classification which is now to be superseded, the Revenue from Productive Public Works was shown separately from other Public Works Revenue, and that an analogous separation was made on the Expenditure side of the Account. It is very desirable to maintain this distinction. It has, therefore, been maintained in the General Statement. It is, of course, to be borne in mind that the word "Productive" has, for the purposes of the present argument, a technical signification. It is not to be inferred that a work not classed as Productive is entirely unremunerative. What is meant is that only Capital Expenditure on works classed as Productive is allowed to stand outside the Ordinary Account. Borrowing in respect to the construction of these works is permissible. Expenditure on all works not classed as Productive is charged to Revenue.

Revenue from Productive Public Works.

30. It will be seen on referring to Abstract A. that the entry in the General Statement, entitled *Revenue from Productive Public Works*, includes the following items:—

State Railways (Gross Earnings).
Guaranteed and Subsidized Railways (net Traffic Receipts).
East Indian Railway (net Traffic Receipts).
Irrigation and Navigation (Direct Receipts).
Madras Irrigation and Canal Company (net Traffic Receipts).
Portion of Land Revenue due to Irrigation.

Receipts on account of Public Works not classed as Productive.

31. The entry in the General Statement entitled *Receipts on account of Public Works not classed as Productive*, includes the following items:—

State Railways.
Subsidized Railways.
Irrigation and Navigation.
Military Works.
Civil Buildings, Roads, and Services.

Other Public Works.

32. Up to the present time the receipts and expenditure connected with *Military Works* and *Civil Buildings, Roads, and Services*, have appeared under the head 34. *Other Public Works*. This heading was first adopted in February 1880. The entry does not carry its own meaning with it, and on that account appears to be objectionable. As a matter of fact the money is spent partly on *Military Works*, which receive a fixed annual grant of 1,000,000 l., and partly on *Civil Buildings, Roads, and Services*. Under these circumstances the most simple plan appears to be to adopt a nomenclature in the Accounts which carries its own signification with it.

33. The next item in the General Statement, namely, *Receipts by Military Departments*, is divided, in Abstract A., into three heads, viz. :—

Receipts by Military Departments.

- Army.
- Military Operations in Afghanistan.
- Military Operations in Egypt.

The two last items are, of course, exceptional, and only appear in the Accounts and Estimates of the years when Military Operations were conducted in Afghanistan and Egypt respectively.

34. I now turn to the Disbursement side of the Account. Here again the Expenditure has been grouped under a few main heads, the detail being given in Abstract B., to which a reference is made in the first column of the General Statement.

35. The first entry is *Interest*. It is to be borne in mind that this entry only gives the Interest charged to Ordinary Debt, that is to say, it is exclusive of the amount of Interest charged to Productive Public Works. This latter charge appears lower down in the General Statement, being included in the group entitled *Expenditure on Productive Public Works (Revenue Account)*. The single head of *Interest* in the General Statement is, in Abstract A., divided into two heads, viz. :—

Interest.

Direct Demands on the Revenue.

- Interest on Ordinary Debt (excluding that charged to Productive Public Works).
- Interest on Deposits.

36. The next entry is *Direct demands on the Revenues*. This entry, as will be seen by reference to Abstract B., includes the following items :—

- Refunds and Drawbacks.
- Assignments and Compensations.
- Charges in respect of Collection, viz. :—
 - Land Revenue.
 - Opium (including cost of production).
 - Salt (including cost of production).
 - Stamps.
 - Excise.
 - Provincial Rates.
 - Customs.
 - Assessed Taxes.
 - Forest.
 - Registration.

The whole of these items are payments on account of Revenue, that is to say, they are, to a greater or less degree, productive of a corresponding increase of Revenue. They are, therefore, properly grouped under *Direct demands on the Revenues*.

37. The next entry is *Post Office, Telegraph, and Mint*. Following the course adopted on the Revenue side of the Account, the expenditure under these three heads is shown in one figure in the General Statement. The detail is given in Abstract B.

Post Office, &c.

38. The next entry in the General Statement is *Salaries and Expenses of Civil Departments*. A reference to Abstract B. will show that this entry includes the following items :—

Salaries and Expenses of Civil Departments.

- General Administration.
- Law and Justice.
- Police.
- Marine (including River Navigation).
- Education.
- Ecclesiastical.
- Medical.
- Political.
- Scientific and other Minor Departments.

Miscellaneous
Civil Charges.

39. The next entry is *Miscellaneous Civil Charges*. A reference to Abstract B. will show that this entry includes the following items :—

Territorial and Political Pensions
Civil Furlough and Absentee Allowances.
Superannuation Allowances and Pensions.
Stationery and Printing.
Miscellaneous.

Famine Relief and
Insurance.

40. The next entry is *Famine Relief and Insurance*. Up to the present time the expenditure on *Protective Works*, whether on Railways or Canals, has been shown in one figure. In future it is proposed to show the expenditure on Railways and that on Irrigation separately. The entry *Famine Relief and Insurance* in the General Statement, is, therefore, in Abstract B. divided into the following sub-heads :—

Famine Relief.
Protective Works, Railways.
Protective Works, Irrigation.
Reduction of Debt.

Productive Public
Works (Revenue
Account).

41. The next entry is *Expenditure on Productive Public Works (Revenue Account)*. This answers to the entry *Revenue from Productive Public Works* on the Revenue side of the Account. A reference to Abstract B. will show that the details are given under the following heads :—

State Railways (Working and Maintenance).
Guaranteed and Subsidized Railways (Interest and Profits).
East Indian Railway (Interest and Profits).
Irrigation and Navigation (Working and Maintenance).
Madras Irrigation and Canal Company (Interest, &c.).

Interest on Debt incurred for Productive Public Works :—

Railways.
Irrigation.
Miscellaneous Public Improvements.

42. The next entry is *Expenditure on Public Works not classed as Productive*. This answers to the entry *Receipts on account of Public Works not classed as Productive* on the Revenue side of the Account. A reference to Abstract B. will show that the details are given under the following heads :—

State Railways (Capital Account).
State Railways (Working and Maintenance).
Subsidized Railways.
Southern Mahratta Railway.
Frontier Railways.
Irrigation and Navigation.
Military Works.
Civil Buildings, Roads, and Services.

Army Services.

43. The next entry, *Army Services*, is divided into three heads in Abstract B., viz. :—

Army.
Military Operations in Afghanistan.
Military Operations in Egypt.

The last two items are, of course, exceptional.

Gain by Exchange.

44. The next entry is *Exchange on Transactions with London*. Up to the present time one item, entitled *Gain by Exchange*, has been entered on the Revenue, and another item, entitled *Loss by Exchange*, has been entered on the Expenditure side of the Account. As regards the item *Gain by Exchange*, I beg to refer those who wish to gain a thorough knowledge of what this entry means to the Report of the Comptroller General on the Accounts of 1880-81, which was published in the "Gazette of India" of 4th March 1882. For my present purposes it will perhaps be sufficient to say that every rupee entered under *Gain by Exchange* represents merely the recovery of an amount which has been already charged under *Loss by Exchange*, and which has, therefore,

to

to be written back. There is, I need hardly say, no real gain, using the term in its ordinary signification.

45. The true meaning of the entry *Loss by Exchange* has been very frequently explained (*see* especially para. 30 of the Financial Statement for 1881-82). But, so long as we continue to employ the words heretofore used, so long will a large body of the public continue to think that the whole amount of this adjustment is really money lost to the tax-payers. To describe fully what this entry means would involve an amount of writing which would be quite inconsistent with the brevity necessarily required in an item of Account. But, if we cannot describe what is meant in the body of the accounts, we can, at all events, avoid the use of words which are misleading. To speak of the total amount entered under *Loss by Exchange* as money lost, is, of course, wholly erroneous, for, under any reasonable hypothesis in respect to the relative value of gold and silver, only a portion of the amount can be considered as a real loss. We propose, therefore, for the future, in so far as the published Accounts are concerned, to get rid of the item *Gain by Exchange* on the Revenue side of the Account altogether, to discontinue the use of the word "Loss," and to insert a net figure on the Expenditure side of the Account, under the head of *Exchange on Transactions with London*.

Loss by Exchange.

46. Following the order of entries on the Disbursement side of the General Statement, the next items are the two adjusting entries, namely, *Provincial Surpluses, that is, Allotments to Provincial Governments unspent by them*, and *Provincial Deficits, that is, Portion of Provincial Expenditure defrayed from Provincial Balances*. For the moment I postpone my observations in respect to these two entries.

Provincial Surpluses and Deficits.

47. After these entries the *Total Expenditure charged against Revenue* is given.

Total Expenditure charged against Revenue.

48. Immediately under this item comes the *Expenditure on Productive Public Works (Capital Account)*. This is the same entry which has formerly figured in Statement II., under the head of 37. *Productive Public Works*. The detail of this entry is given at the end of Abstract B., under the following heads:—

Productive Public Works, Capital Account.

State Railways.

East Indian Railway.

Irrigation and Navigation.

Madras Irrigation and Canal Company's Undertaking.

Miscellaneous Public Improvements.

49. I have, so far, dealt only with the Revenue and Expenditure portions of the General Statement. I now proceed to deal with the Debt heads.

Debt Heads.

50. The Receipts under *Debt, Deposits, and Advances* are given under the following heads:—

Receipts.

Permanent Debt (net incurred).

Unfunded Debt (net incurred).

Deposits and Advances (net).

Loans to Municipalities, Native States, &c. (net Recoveries).

Capital of Guaranteed and Subsidized Companies (net Receipts).

Remittances (net).

Secretary of State's Bills drawn.

51. Analogous entries are given in respect to the Disbursements on the other side of the Account. Full details in respect to the *Debt, Deposit, and Advance* Accounts will be found in Abstract C., which contains, indeed, more detailed information than has heretofore been given in Statements IV., VII., and VIII. of the old classification.

Disbursements.

52. The General Statement closes, on the Receipt side of the Account, with the balance at the commencement of the year in England and in India, and on the Disbursement side of the Account, with the balance at the close of the year in England and in India.

Opening and Closing Balances.

53. Abstract D. gives the *Provincial and Local Balances*. This Account contains, in a somewhat condensed form, the same information as was given in

Provincial and Local Balances.

Statement IX., *Closing Balances of the Provincial Governments* under the old classification.

Net Revenue and Expenditure.

54. Abstract E. gives the *Net Revenue and Expenditure*. It contains the same information as was given in Statement X. of the old classification, but arranged in a somewhat more precise form.

Adjusting entries.

55. I have so far stated what it is proposed to do with a view to making the Accounts and Estimates more simple and concise. I now propose to deal with the question of the adjusting entries entitled *Provincial and Local Surpluses and Deficits*, which, as I have already mentioned (para. 14), do not appear to be readily understood.

Explanation of entries.

56. The nature of these entries has frequently been explained before, but it will perhaps be as well that I should endeavour to explain them again. Under the Provincial system of Finance, the Government of India either makes allotments to Provincial Governments, or else hands over to them, in whole or in part, certain branches of the Revenue. If in any one year a Provincial Government spends less than its income, the amount by which it under-spends its income constitutes virtually a debt due by the Government of India to that Provincial Government. If, on the other hand, a Provincial Government, having a balance at its credit, spends in any one year, in addition to the income of that year, a portion of the accumulated balances of former years, then the debt due by the Government of India to that Provincial Government is by so much reduced. It would, of course, be very easy to present an Account which should show nothing but Imperial Revenue and Expenditure, and such an Account would, no doubt, be much more readily understood by the public than one which embodies Imperial, Provincial, and Local Revenue and Expenditure. But it has been held, and I venture to think rightly held, that the adoption of this course is open to very great objection. It would not present an accurate picture of the sums received and spent by the Government in India. Thus, to take a single instance, under this system the Stamp Revenue for the year 1881-82 would appear as amounting only to 576,252 *l.* (see Appendix I. Abstract A.), but, as a matter of fact, the Revenue derived from Stamps amounted to 3,381,372 *l.*, of which 576,252 *l.* was Imperial, and 2,805,120 *l.* was Provincial and Local. If, therefore, we want to show the total amount received and spent by the Government in India, and if at the same time we want to show in the same Account the net result of the year's finance to the Imperial Government only, it is absolutely necessary to make use of two adjusting entries. The *Provincial Surpluses*, that is to say, the amounts by which the Provincial Governments have underspent their income, and which, as I have already said, constitute a debt due from the Government of India to the Provincial Governments, must be added to the total Expenditure. On the other hand, the *Provincial Deficits*, that is to say, the portion of Provincial Expenditure which has been defrayed from the accumulated Provincial balances of past years, and which, by so much, diminishes the debt due from the Government of India to the Provincial Governments, must be deducted from the total Expenditure. This is done in the two adjusting entries which appear on the Disbursement side of the Account in the General Statement.

57. It is very possible, however, even with this explanation, and in spite of the explanatory language now employed for the first time in the General Statement, to which I invite a reference, that the matter will not be very readily understood. I have, therefore, appended to this Minute a Memorandum (Appendix IV.) which deals with the question at greater length, and which may possibly serve to render it more clear to the few people who are interested in the subject. Further, it will be seen on reference to Abstracts A. and B. of Appendix I., that a separation is made between the Imperial Revenue and Expenditure on the one hand, and the Provincial and Local Revenue and Expenditure on the other hand. It will be seen that the Imperial Revenue and Expenditure in England and in India are shown separately, as was the case in Statements V. and VI. heretofore published. The whole of the Provincial and Local Revenue and Expenditure is in India, at least the few English items are brought on the Indian part of the Accounts. No such separation is, therefore, necessary. In Statement III., formerly published, the Provincial Revenue and Expenditure was shown separately from the Local Revenue and Expenditure.

It

It has been thought, however, unnecessary to continue this separation so far as the Accounts and Estimates attached to the Financial Statement are concerned. It will be seen that in Abstracts A. and B. no such separation is made. A reference to the columns showing Imperial Revenue and Expenditure alone in Abstracts A. and B. will show that, although, of course, the several items are different to those shown in the General Statement, Provincial and Local Revenue and Expenditure being included in the latter, *the net result is the same as that given in the General Statement after the adjusting entries have been made.* Thus, looking at the Accounts for the year 1881-82, the *Total Revenue* is given in the General Statement as 73,695,806 *l.*, and the *Total Expenditure charged against Revenue* is given as 71,113,079 *l.*, leaving a surplus of 2,582,727 *l.* In Abstract A. the Imperial Revenue only is given as 54,618,853 *l.*, and in Abstract B. the Imperial Expenditure charged against Revenue is given at 52,036,126 *l.*, thus leaving, as in the General Statement, a surplus of 2,582,727 *l.*

58. A further change has been made which will, I trust, help towards the ready comprehension of this subject. If reference be made to Statement III. published on the occasion of former Financial Statements, in which a distinction is made between Imperial, Provincial and Local Revenue and Expenditure, it will be seen that the following entries appear on the Expenditure side of the Account:—

Adjustments in former Statement III.

Add—		Contributions to Imperial.
	"	Provincial.
	"	Local.
Deduct—		Imperial Allotment.
		Contributions from Imperial.
	"	Provincial.
	"	Local.

59. These adjustments are, without doubt, somewhat complicated and difficult to understand. For the future we propose to get rid of them altogether by passing all adjustments between Imperial and Provincial through the Land Revenue head, that is to say, they will be treated as additions to or subtractions from the Provincial share of the Land Revenue. It will be seen, on referring to the end of Abstract B., that no such entries appear as those which I have quoted from Statement III. of the old classification.

To be discontinued.

60. I am aware that it may, and, by those who are resolved to take an ultra-pessimist view of the financial position of India, very probably will, be said that the surplus of 59,800 *l.* shown, for instance, in the Revised

Fallacy of leaving Adjusting Entries out of account.

	£.	
Revenue - - - - -	67,913,000	Estimates for 1882-83, is fictitious, and that the correct view of the situation is to take no account of the adjusting Entries, and thus show a deficit of 1,465,600 <i>l.</i>
Expenditure - - - - -	69,379,500	
Deficit - - - £.	1,465,600	

I can only say that any such statement

would be wholly incorrect. As I have already said (para. 8), I am very far from wishing to under-rate the difficulties connected with the administration of the Indian Finances. It is not the duty of the Government, nor is it my duty, to take either an optimist or a pessimist view of the situation, but to lay before the public the facts of the situation as they stand, without exaggeration either in one direction or the other. But I may say that, whatever be the real difficulties connected with the financial administration of India, nothing could be more incorrect than to say that, because the Imperial and Provincial Revenue, taken together, falls short of the Imperial and Provincial Expenditure, taken together, in 1882-83 by 1,465,600 *l.*, that, therefore, there is anything unsound in the financial situation, or that the surplus on Imperial Account does not in reality exist. On the contrary, so far as this particular argument is concerned, the fact that the Provincial Governments have been able to accumulate considerable sums in past years, and are now able to spend those sums, to a certain extent, on works of public utility, is in itself exceedingly satisfactory. The fallacy of this argument will perhaps become apparent if we look at the converse case presented in the Accounts of 1881-82.

The true Imperial Surplus in that year, as appears from the General Statement and from Abstract B., is 2,582,727 *l.* But, under the assumption that the adjusting entries should be left out of account, the Surplus would be 4,102,519 *l.*, that is to say, 2,582,727 *l.* on Imperial and 1,519,792 *l.*

Revenue (Abstract A.) - - -	£	73,695,806
Expenditure (Abstract B.) - - -		69,593,287
Surplus - - - £.		4,102,519

on Provincial and Local Accounts. So, again, if we look at the Accounts for the last 11 years, that is to say, from 1871-72 to 1881-82, both inclusive (*see* Appendix III.), it will be seen that there have been six years in which the Revenue exceeded the Expenditure, the combined surpluses amounting to 11,494,784 *l.* Further, that there have been five years in which the Expenditure exceeded the Revenue, the combined deficits amounting to 12,760,621 *l.* The net result of the 11 years is, therefore, a deficit of 1,265,837 *l.*, a result which, I may observe, cannot be considered as otherwise than satisfactory when it is remembered that during these years two severe famines and one costly war took place, and that the Expenditure includes nearly 1,500,000 *l.* as an insurance against future famines. But, if we exclude the adjusting entries, we should arrive at a wholly different result. The 11 years would then show a net surplus of 2,041,494 *l.*, that is to say, this incorrect mode of treatment would show a result of 3,307,331 *l.* better than the reality (*see* the end of Abstract B., in Appendix III.).

Conclusion.

61. Such, therefore, are the steps we propose to take with a view to facilitate the comprehension of the Indian Accounts and Estimates. It will be seen that the bulk of the published Statements is very considerably diminished, and yet I venture to think that all the details that are really necessary have been given. I need hardly say that for those who require to go into further detail, the Finance and Revenue Accounts (generally known as the Yellow Book), which have always been published, will be available, as well as the Appropriation Audit Report of the Comptroller General, which is published for the first time this year (*see* "Gazette of India" of 17th March 1883).

62. The discussions which will, without doubt, ensue in connection with the Financial Statement now published, will probably show whether the object we have had in view has been attained. It is very possible that neither the officers of the Financial Department nor myself are good judges of what will and what will not be readily understood by the public. It is not impossible that our own familiarity with the subject, and the fact that it is our special business to be constantly dealing with these figures, lead us to suppose that the whole subject is more easy of comprehension than is really the case.

Old classification published.

63. With a view to enabling the nature of the changes now made to be more readily understood, I have annexed to this Minute (Appendix II.) the Accounts for the year 1881-82, as well as the Estimates for the years 1882-83 and 1883-84, in the forms heretofore published.

Accounts of former years.

64. With a view, also, to enabling comparisons to be more easily made with former years, I annex to this Minute the Accounts from the year 1871-72, arranged according to the new classification (Appendix III.).

Appendices.

65. It has heretofore been the custom to publish as Appendices to the Financial Statement a series of commercial and statistical tables. These will, as heretofore, be published (*see* "Gazette of India" of 17th March 1883), but they will not be appended to the Financial Statement. They will be published separately. In future years the only Statements which will ordinarily be annexed to the Financial Statement will be—

- (1.) The General Statement.
- (2.) Abstract A., Details of Revenue.
- (3.) Abstract B., Details of Expenditure.
- (4.) Abstract C., Details of Receipts and Disbursements other than Revenue and Expenditure.
- (5.) Abstract D., Provincial and Local Balances.
- (6.) Abstract E., Net Revenue and Expenditure.

66. I cannot

66. I cannot close these remarks without expressing my cordial thanks, on behalf of the Government of India, for the assistance rendered by Mr. Cave Browne and Mr. Waterfield at the India Office, and by Mr. Westland and Mr. Barbour in India, in dealing with this complicated subject. Should the object we have in view be attained, and the Accounts and Estimates of the future be more readily comprehensible to the public than heretofore, the credit will be mainly due to the labours of these gentlemen.

Services rendered by various officers

III.—ACCOUNTS FOR 1881-82.

67. The Accounts of the year 1881-82 show the following result :—

ACCOUNTS,
1881-82.

	£.
Revenue - - - - -	73,695,806
Expenditure - - - - -	71,113,079
Surplus - - - £.	2,582,727

68. The year 1881-82 was in every respect one of remarkable prosperity. Almost every branch of Revenue yielded a sum largely in excess of the Estimates. The net *Opium* Estimate (6,500,000 *l.*) was exceeded by 1,305,000 *l.*, of which 1,099,400 *l.* was due to excess Revenue, and 205,600 *l.* to relatively low Expenditure consequent on a rather short *Opium* crop in Behar. *Salt* gave (net) 164,400 *l.* in excess of the Budget, and 220,400 *l.* in excess of the Revised Estimate. *Excise* gave 398,400 *l.* (net) in excess of the Budget Estimate. The import duties were abolished on 10th March, and allowance was made in the Revised Estimates for a falling off in *Customs* Revenue during the last three weeks of the year on that account. This falling off was, however, more than counterbalanced by the excess receipts from the export duty on rice, which yielded 104,100 *l.* more than the Budget Estimate. Owing to a large demand for timber, *Forests* gave (net) 117,800 *l.* in excess of the Budget Estimate. A large premium (155,300 *l.*) was realised on the Government loan of 3,000,000 *l.* which was taken up at an exceptionally high figure (105¹/₁₆). *State Railways* yielded (net) 119,100 *l.* in excess of the Budget, and 101,100 *l.* in excess of the Revised Estimates. *Guaranteed and Subsidized Railways* (net *Traffic Receipts*, after deduction of *Interest and Profits*) yielded no less than 722,700 *l.* in excess of the Budget, and 136,700 *l.* in excess of the Revised Estimates. The *East Indian Railway* (net *Traffic Receipts*) gave 461,900 *l.* in excess of the Budget, and 151,900 *l.* in excess of the Revised Estimates.

Remarks on the Accounts.

69. It is true that the surplus of the year was swelled by some extraordinary receipts. The portion, which remained to be brought to account during the year, of the *English Contribution for the Afghan War*, exceeded the net War expenditure of the year by 380,600 *l.* (see para. 70 of the Financial Statement for 1882-83 and para. 196 of the Appropriation Audit Report for 1881-82). Also the *Salt* Revenue during the last three weeks of the year was exceptionally high. I shall presently allude more specifically to this subject (see paras. 112-115). On the other hand, some very heavy extraordinary payments were made, and the Expenditure under *Exchange* was largely in excess of the Estimates. The amount (670,000 *l.*) contributed by the Provincial Governments to the Afghan War Expenditure was repaid to those Governments by the Government of India. Special payments, amounting in all to 360,000 *l.* were made in connection with the renewal of the Provincial contracts (see paras. 64 and 70 of the Financial Statement for 1882-83). The expenditure under *Exchange* exceeded the Estimate by no less than 493,700 *l.* This excess was mainly due (1.) to the fact that a large demand for bills sprung up at the end of the year, which enabled the Secretary of State to draw 1,212,400 *l.* (true sterling) in excess of his requirements for 1881-82, and (2.) to the fact that the average rate obtained on the whole of the remittances (18,412,429 *l.*, true sterling) was 1 *s.* 7⁸/₉₅ *d.*, against an Estimate of 1 *s.* 8 *d.*

Extraordinary Receipts and Expenditure.

70. On the whole, it may be said that, if the exceptional expenditure as well as the extraordinary items of Revenue be excluded from the account, the surplus would appear largely in excess even of the high figure (2,582,727 l.) which it actually attained.

71. For further details in connection with the Accounts of 1881-82, I beg to refer to the Comptroller General's Appropriation Audit Report published in the "Gazette of India" of 17th March 1883.

IV.—EFFECT OF ABOLISHING THE IMPORT DUTIES.

EFFECT OF ABOLISHING THE IMPORT DUTIES.

72. It is of course too early yet to gauge the full measure of the advantage which India will ultimately derive from the abolition of the import duties, but the figures annexed to this Minute (Appendix V.) are of some interest.

73. Exclusive of Government stores, the imports of merchandise in the 10 months from 1st April 1882 to 31st January 1883, amounted to 41,945,202 l., being 2,775,718 l. in excess of the imports for the corresponding period of 1881-82 (39,169,484 l.). The exports amounted to 65,770,066 l., being 1,324,783 l. in excess of the corresponding period of the year 1881-82 (64,445,283 l.).

Import of articles exempted from duty.

74. I append also (Appendix V.) a Statement showing the quantities and values of those articles imported into British India which were exempted from Customs duty last March, during the 10 months ending 31st January 1883, compared with the corresponding period of the year 1881-82.

Increase of Imports.

75. The articles in which an increase is shown in both quantity and value are 40 in number, the most important being twist and yarn, which have increased 11.59 per cent. in quantity and 7.5 per cent. in value; grey piece-goods, which have increased 1.92 per cent. in quantity and 2.0 per cent. in value; coloured piece-goods, which have increased 29.43 per cent. in quantity and 29.47 in value; hardware and cutlery, which have increased 22.88 in value; copper, which has increased 32.07 in quantity and 31.01 in value; iron, which has increased 34.12 in quantity and 37.59 in value; and raw silk, which has increased 43.80 per cent. in quantity and 52.28 per cent. in value. The increase in some minor articles of trade, such as corals, jewellery, brass, paints and colours, shells and cowries, and umbrellas, are satisfactory indications of general prosperity.

Decrease of Imports.

76. The articles of trade in which a decrease is shown are 14 in number, the most important being white piece-goods, which have decreased 18.35 per cent. in quantity and 10.88 in value; silk piece-goods, which have decreased 25.26 in quantity and 24.89 per cent. in value; and tea, which has decreased 15.30 per cent. in quantity and 12.72 per cent. in value.

77. The total value of the articles of trade in which there has been an increase is 28,517,941 l., and of those in which there has been a decrease, 5,499,360 l.; so that, of all articles affected by the remission of the duties, those in which the trade has increased represent a value of more than five times as great as that of the articles in which there has been a decrease. If we balance one set against the other, the total increase in the value of merchandise imported during the 10 months is 7.26 per cent. It is, of course, impossible to say with accuracy how far this increase is due to the abolition of the duties, and how far it would have taken place had the duties been maintained. All that can be said with certainty on this subject is that the abolition of the duties must have contributed to increase the volume of trade.

General result.

78. Considering the low rate of exchange, which has, of course, operated unfavourably to imports, and considering the Egyptian complications, which not only for some time interrupted trade, but, by creating a demand for Government transport, kept freights during part of the year at a higher level than they otherwise would have been, the result may be considered as satisfactory. In a slow-moving country such as India, it was not to be expected that the full advantage to be derived from the abolition of the import duties would be immediately obtained, or that consumption would increase at once in the ratio known to European countries.

79. The

79. The relief afforded to trade in general, owing to the cessation of all the embarrassment and delay consequent on the levy of duties at the Custom House, cannot be represented in any arithmetical form. It is, however, a very important factor in the consideration of the question. The complaints on various petty matters, which were so frequently addressed to the Government whilst the duties were levied, have now almost entirely ceased.

80. Independently of the question of the effect of the abolition of the import duties on the volume of the trade, it is desirable to examine whether the abolition has exercised any appreciable effect upon the import trade in those articles which compete with Indian-made goods of similar kinds. Effect on Indian goods.

81. Of such articles the most important are cotton twist and cotton piece-goods. In respect to these articles there has been a general increase, both in the quantity and the value of the imports, except under the head of white piece-goods. Cotton goods.

82. The twist which is imported from Europe does not compete with Indian twist. For years past the great bulk of the twist imported has been of counts much higher than any that can as yet be made in the Indian mills, which limit themselves to the production of twist of counts not exceeding 32 (mule) and 20 (water). All such kinds of English twist were freed from duty in March 1878. Twist.

83. Of the grey piece-goods imported, those classes which compete with Indian-made goods were also exempted from duty in March 1879. Piece-goods.

84. White piece-goods are hardly produced at all as yet in India, except experimentally in one or two of the Bombay mills. As I have already mentioned, there has been a large decline in the imports of this class of goods.

85. The piece-goods classed as "other sorts" are not made in India.

86. The remission of the customs duties last year did not, therefore, in any way affect Indian mills, which have had to work without the protection of 3½ per cent. on twist since March 1878, and of 5 per cent. on grey piece-goods of counts below 30 s. since March 1879. As was pointed out in the Financial Statement of last year (paras. 210 and 211), the duty which was abolished last March really protected one class of Manchester goods against another, and even to some slight extent protected English goods against those manufactured in India. The duty forced trade into an artificial channel by stimulating the consumption of the coarser kinds of goods, and discouraging the use of medium and finer classes to the extent of a differential rate of 5 per cent. I believe I am correct in stating that since the remission of the duty consumers have everywhere shown a tendency to go back to the old styles of cloth.

87. The export of Indian-made cotton twist and piece-goods has increased very largely as compared with the corresponding period of 1881-82. The export of twist has increased by 44·9 per cent., namely, from 26,346,556 lbs. to 38,179,998 lbs., the increase in the China trade being especially remarkable. Piece-goods have increased to the extent of 31·3 per cent., namely, from 25,484,391 yards to 33,454,359 yards. I am informed that eight new mills are in course of erection in Bombay, and will commence work during the current year. The prosperity of the mill-owners depends of course to a large extent upon the course of prices. Prices have fallen during the year, with the result that, if we look not at the quantities, but at the values, we find that the value of twist exported has only increased by 29 per cent. and that of piece-goods by 20 per cent. It is, however, abundantly clear that the Indian cotton trade has in no way been detrimentally affected by the measures taken last March. Export of Cotton goods.

88. The import of raw silk has very largely increased, as compared with the corresponding period of last year, although prices have been fully maintained. It is to a great extent of Chinese origin imported into Bombay for the silk mills and for hand-loom weaving, and into Burma for hand-loom weaving only. Bengal is the only Province of India where the silk-producing industry is conducted on any extensive scale. For many years past it has been in a declining condition. China silk competes with it not only in the European market but in India itself. Bengal has never been able to send any considerable quantity of silk to Bombay, which is supplied almost wholly from sources external to India. But with Madras, Bengal has formerly done a Raw Silk.

considerable trade, and this trade appears to be declining. On the other hand, the export of raw silk from Bengal to foreign countries has again given some signs of returning vigour, having increased from 231,966 lbs. to 372,072 lbs., which is, however, still below the figure of the corresponding ten months of 1880-81 (398,323 lbs.).

Sugar.

89. Last year, when the import duties were abolished, some apprehension was expressed lest their abolition should injuriously affect the sugar industry of India, and it was urged that that industry stood in need of protection. Without going into the question of the principle involved in this argument, it will be sufficient for me to say that the experience of 10 months has shown that no injury to the sugar industry of India has resulted from the abolition of the duties. For all practical purposes it may be said that all the sugar imported into India is refined or crystallized sugar, which is brought from Mauritius and China to Bombay. Refined sugar is only produced to a very small extent in Bengal, the North-Western Provinces, and Madras. It is almost all used for local consumption by Europeans. In the places where such sugar is consumed no sugar has as yet been imported from abroad. The Indian export trade in sugar is carried on mostly from Madras. By far the greater portion is unrefined sugar; that is to say, molasses, jaggery, &c. The removal of the duty, therefore, did not affect Indian sugar at all, and in fact could not have done so. It appears also from the Trade Returns that, whilst the import of refined sugar has decreased from 666,587 cwt. to 519,367 cwt., that is to say by 22 per cent., the export from India of unrefined sugar has increased from 758,054 cwt. to 1,069,509 cwt.; that is to say, by 41 per cent. Further, the export of refined sugar, which was only 15,580 cwt. in 1880-81 and 29,008 cwt. in 1881-82, increased in 1882-83 to 98,273 cwt. Again, if we look at the internal trade of India, the exports of refined sugar from Bengal to Bombay have increased from 29,465 cwt. in the whole of the year 1881-82 to 61,682 cwt. in the 10 months ending 31st January 1883.

Tea.

90. Tea is one of the articles which was relieved from duty last March. The imports, however, have not increased, but have, on the contrary, fallen off from 2,393,413 lbs. to 2,027,119 lbs., a reduction of 15½ per cent. Much of the tea imported into India is intended for trans-frontier consumption in Central Asia. The import trade has, without doubt, been a good deal checked by the heavy duties which are imposed by the Russian Government.

Tobacco.

91. The import of tobacco has increased from 1,146,803 lbs. to 1,316,350 lbs., an increase of 14¾ per cent., which is very possibly due to the reduction of the duty. This increase of imports has not, however, resulted in any reduction in the consumption of Indian tobacco, the demand for Indian cigars being not only undiminished but increasing.

Importations of silver.

92. A very noticeable feature in the transactions of the year is the large amount of treasure imported (*vide* Appendix V.). During the 10 months ending 31st January 1883, the value of the exports of merchandise exceeded that of the imports by 22,153,355 *l.* The debt thus due from Europe to India was paid (1) by the net importation of treasure to the extent of 11,193,922 *l.*, of which 4,394,651 *l.* was gold and 6,799,271 *l.* silver, and (2) by drafts of the Secretary of State on the Indian Treasury to the extent of 12,804,500 *l.*, thus leaving a balance of 1,845,067 *l.* remitted to India in apparent excess of the trade requirements of the 10 months.

93. During the corresponding period of 1881-82 the excess of exports over imports was 23,524,590 *l.*, the net imports of treasure amounted to only 7,061,635 *l.*, of which 4,214,855 *l.* was gold and 2,846,780 *l.* silver, and the amount of Secretary of State's Bills paid was 17,381,100 *l.*, leaving a balance of 918,145 *l.* remitted to India in apparent excess of the trade requirements of the 10 months.

Stores.

94. Attached to Appendix V. will be found a few observations upon the progress made in the policy of purchasing Government Stores in India instead of in England. As I have before pointed out it will not be possible to make any very serious impression on the amount of stores imported from England, until iron work and machinery, equal in quality and not superior in price to that manufactured in England, can be made in India.

V.—EFFECT OF REDUCING THE DUTY ON SALT.

95. It will be remembered that, prior to 10th March 1882, the duty levied on salt in Bengal was Rs. 2.14 a maund. Elsewhere, except in Burma and the trans-Indus districts of the Punjab, duty was levied at the rate of Rs. 2.8 a maund. On 10th March 1882, the duty was reduced to an uniform rate of Rs. 2 a maund all over India, except in Burma and the trans-Indus districts of the Punjab, where no change was made.

EFFECT OF REDUCING THE DUTY ON SALT.

96. The main points to be considered in connection with the reduction of the duty are (1) whether the retail price of salt has fallen, and (2) whether consumption has increased.

97. As regards the first point, there can be no doubt whatever that, generally speaking, the reduction has, to a greater or less extent according to the circumstances of each locality, reached the consumer. The following table shows the retail price per maund of Salt (1) in the second half of February 1882, that is to say, immediately before the reduction of the duty; (2) in the first half of June 1882, that is to say, about three months after the reduction; and (3) in the first half of January 1883, that is to say, about 10 months after the reduction. The figures give the average price struck on the totals for all the districts in each province.

Fall on retailed price.

PROVINCES.	Second Half of February 1882.	First Half of June 1882.	Fall in Prices per Maund in June 1882, as compared with February 1882.	First Half of January 1883.	Fall in Prices per Maund in January 1883, as compared with February 1882.
	<i>Rs. a. p.</i>	<i>Rs. a. p.</i>	<i>Rs. a. p.</i>	<i>Rs. a. p.</i>	<i>Rs. a. p.</i>
Madras - - - - -	3 2 5	2 10 4	- 8 1	2 9 8	- 8 9
Bombay - - - - -	2 15 5	2 10 6	- 4 11	2 9 1	- 6 4
Bengal - - - - -	4 7 1	3 6 6	1 - 7	3 6 2	1 - 11
Assam - - - - -	5 9 1	4 12 5	- 12 8	4 10 2	- 14 11
North-Western Provinces - -	4 3 4	3 12 11	- 6 5	3 9 6	- 9 10
Oudh - - - - -	4 7 1	4 - 5	- 6 8	3 14 1	- 9 -
Punjab - - - - -	3 9 10	3 - 9	- 9 1	2 15 8	- 10 2
Central Provinces - - -	4 9 2	4 2 11	- 6 3	3 14 5	- 10 9
Hyderabad Assigned Districts -	4 7 1	4 - 5	- 6 8	3 13 8	- 9 5
Mysore - - - - -	4 2 1	3 14 10	- 3 3	3 12 11	- 5 2
Coorg - - - - -	4 6 7	4 3 4	- 3 3	4 3 10	- 2 9
Rajputana - - - - -	3 9 2	3 3 5	- 5 9	3 - 6	- 8 8
Central India Agency - -	4 1 3	3 9 6	- 7 9	3 6 6	- 10 9

Comparative price lists.

98. It will be seen that, with the single exception of the small province of Coorg, prices fell materially within the first three months after the reduction of duty, and that ten months after the reduction prices had reached a still lower level. In Coorg only have prices slightly increased since the first fall after the reduction, but they are still about 4 per cent. lower than they were just before the reduction. Mysore also shows, comparatively speaking, only a small fall in price, viz., from Rs. 4. 2. 1. to Rs. 3. 12. 11., or 7.74 per cent. In the other provinces the fall ranges from 12.66 per cent. in Oudh to 23.8 per cent. in Bengal. As the reduction of duty was about 30 per cent. in Bengal, as compared to 20 per cent. elsewhere, it was, of course, to be expected that the fall of price would be proportionately great in that province.

Average fall of price.

99. The testimony of official reports confirms the conclusion to be drawn from the price lists. Thus, to quote one of many such reports, the Deputy Commissioner of the Sonthal Pergunnahs, writing very shortly after the reduction of duty, says,—

Official reports.

“The most important change is that in the retail price of common eating salt. The reduction of duty reached the masses to a certain extent before the close of the year
135. C 2 “under

“under report (1881-82). It has since reached them even more perceptibly. This reduction in cost may have an important effect upon this district, for it may lead to a very considerable expansion of the fishing industries, and thus provide occupation for the surplus population, and for the agricultural population when work on the land is slack. One consignment of coarse salt has, I hear, been already sent to Sahibgunge for fish-curing purposes. Salt-fish, properly prepared, would be an important and valuable addition to the food-supply of this district.”

“A large future,” the Lieutenant Governor of Bengal observes, in reviewing this report, “lies before this (the fish-curing) industry.”

Publicity.

100. It will be remembered that some special measures were adopted with a view to ensuring publicity being given to the reduction of the duty. These measures appear to have been generally attended with success. In Behar, especially, a recent report says, “the news that the salt tax had been reduced * * * is said to have spread with unexampled quickness.”

Increased consumption.

101. I now turn to the question of increased consumption. The following table shows the consumption during the eleven months from 1st March 1882 to 31st January 1883, compared with the corresponding period of the year 1881-82. The figures for Burma are excluded, as no change was made last March in the rate of duty levied in that province. I may remark, however, that the consumption in Burma has up to the present time been less in 1882-83 than it was in 1881-82.

In Thousands of Maunds (000's omitted.)

Comparison of 1881-82 and 1882-83.

PROVINCE.	Consumption, 1st March 1881, to 31st January 1882.	Consumption, 1st March 1882, to 31st January 1883.	Per centage of Increase + or of Decrease —.
	<i>Maunds.</i>	<i>Maunds.</i>	
Bengal - - - - -	8,207	8,723	+ 6.29
Inland Customs - - - - -	6,178	6,112	— 1.07
Bombay - - - - -	4,361	4,695	+ 7.66
Sindh - - - - -	148	166	+ 12.16
Madras - - - - -	5,604	6,405	+ 14.29
TOTAL - - - - -	24,498	26,101	+ 6.54

Increases and decreases since 1877.

102. The following figures show the increase or decrease for the eleven corresponding months of each year, from 1874-75, as compared with the previous year:—

1st March 1874, to 31st January	1875	-	-	-	<i>Maunds.</i>
”	1875	”	1876	-	+ 288,000
”	1876	”	1877	-	+ 77,000
”	1877	”	1878	-	+ 498,000
”	1878	”	1879	-	+ 491,000
”	1879	”	1880	-	+ 367,000
”	1880	”	1881	-	+ 1,724,000
”	1881	”	1882	-	— 690,000
”	1882	”	1883	-	+ 1,016,000
”	1882	”	1883	-	+ 1,603,000

Difficulty of making accurate comparisons.

103. So many changes have been made since 1873 that it is difficult, by any comparison with past years, to arrive at a thoroughly accurate conclusion as to the extent to which consumption has been stimulated by the reduction of the duty. Of course, under normal circumstances, as the population grows the consumption of salt will also increase, if no disturbing elements, such as a change in the rate of duty or a famine, intervene. This normal growth of consumption has generally been taken at rather less than one per cent. It is, however, to be observed that the large increase in 1879-80 (1,724,000 maunds) followed

followed on a year of relatively low consumption, and was again followed by a year of relatively low consumption. On the other hand, 1881-82 was a year of high consumption, the increase being 1,016,000 maunds over 1880-81. It is, therefore, especially satisfactory to note that, in spite of the high consumption in 1881-82, the year 1882-83 shows an increase of no less than 1,603,000 maunds. There can be no doubt that a very considerable portion of this increase is due to the reduction in the duty.

104. If we turn to the details of each province, some remarkable differences in the rate of increase are observable.

105. The largest increase (14.29 per cent.) is shown in Madras. This was to be expected. As I mentioned in the last Financial Statement (para. 199), the people of Southern India require more salt than the more Northern populations, whose principal food consists of wheat and pulses. Moreover, the people in Madras have, in quite recent times, been accustomed to a lower rate of duty. In view to the abolition of the Customs Line the duty in Southern India was raised in December 1877 from Rs. 1.13 to Rs. 2.8 a maund. In consequence, consumption was, without doubt, curtailed. It was to be expected that, so soon as the duty was reduced, the people would readily go back to their old rate of consumption.

106. The reduction of duty is not, however, the sole reason why the increase is so large in Madras. In the first place a great deal has been done within the last year or so to improve the organisation of the salt department in the Madras Presidency, with the result that illicit consumption has probably been to some extent checked. And, in the second place, Madras salt has been for some years displacing the salt supplied from Pooree. The figures given in the

	Maunds.
1879-80 - - - - -	308,384
1880-81 - - - - -	241,559
1881-82 - - - - -	163,932
1882-83 (ten months) - - - - -	90,722

margin show that the quantity of salt supplied from the Pooree warehouses has been steadily falling off for the last four years, and that the falling off in 1882 has been especially remarkable.

107. The increase in consumption in Sind has been nearly as great as in Madras, viz., 12.16 per cent. The total consumption in this province is, however, small. A portion of the increase is probably due to Sind salt having to some extent taken the place of rock salt in the Lower Punjab.

108. The increase in Bombay, though considerable (7.66 per cent.), falls far short of that in Madras and Sind. A portion of this increase is, without doubt, due to Bombay salt having to some extent displaced Sambhur Lake salt in Northern and Central India.

109. Bengal shows an increase of 6.29 per cent. I have already mentioned (para. 106) that the territorial area supplied from Bengal has, in one quarter, been restricted, owing to Madras having, to some extent, taken the place of Pooree salt. On the other hand, the abolition of the differential rate of duty on sea-borne salt has, of course, placed that salt in a better position to compete with Sambhur Lake salt in the North-West Provinces and Oudh. An indication of the extent to which this displacement has taken place is given in the following figures, which show the quantity of Cheshire salt imported by rail into the North-West Provinces and Oudh during the last four years:—

	Maunds.
1879-80 - - - - -	32,306
1880-81 - - - - -	27,405
1881-82 - - - - -	31,957
1882-83 (six months only) - - - - -	107,589

There was also during the year, for the first time, an importation of Cheshire salt, to the extent of about 10,000 maunds, into the Central Provinces.

110. The only quarter where a decrease is shown is under the head of "Inland Customs." This is mainly Sambhur Lake salt, which supplies Northern India. The territorial area heretofore supplied from this source has been much restricted. As I have already mentioned (paras. 108-109), Bombay salt from the west, and Cheshire salt from the east, have both pushed their way into the territory

territory heretofore supplied mainly from the Sambhur Lake. Under these circumstances, the fact that there has only been a decrease of 1·07 per cent. on the salt sold by the Inland Customs Department shows that the people, within the more limited area now supplied by that Department, have increased their consumption. This was to be expected, for it is certain that the abolition of the Customs Line in 1878 resulted in a great rise of price in the Native States of Rajputana, and that the people of those States, in consequence of the enhanced price, curtailed both their own personal consumption and that of their cattle. It was, therefore, to be expected that, with a reduction of duty, a tendency would be shown to revert to the old rate of consumption. The Governor General's Agent reports that "there is no doubt whatever that the late reduction has reached the consumer, and, generally speaking, I may say that he has benefited exactly to the extent of the reduction made in the duty."

Financial effect of reduction.

111. Turning to the financial effect of the measure, it is to be observed that an increase of consumption to the extent of 1,603,000 maunds represents, at Rs. 2 a maund, an additional revenue of 320,600 *l.* To the extent of this sum, therefore, it may be said that the loss of revenue consequent on the reduction of duty (1,400,000 *l.*) has been recouped by the increased consumption of eleven months.

Comparison with Estimate.

112. Regarding the matter from the point of view of the anticipations framed last March, it is to be observed that, in order to arrive at a proper appreciation of the facts of the case, it is necessary to consider the figures for the years 1881-82 and 1882-83 together. The duty, it will be remembered, was lowered on 10th March 1882. The immediate effect of the reduction was to give a great stimulus to clearances of salt in Bengal, and, although to a less degree, to wholesale purchases elsewhere. The market became over-stocked, and, consequently, during the early months of the current financial year, the revenue suffered. It follows, therefore, that the revenue of 1881-82 was disproportionately increased, and that of 1882-83 disproportionately diminished, by the course of trade during the last three weeks of March 1882.

113. The gross revenue for 1881-82, after making what was at the time considered a reasonable allowance for a reduction of the revenue during the last three weeks of the year, was, in framing the Revised Estimates, taken at 7,213,000 *l.* The actual receipts were 7,375,620 *l.*, being 162,620 *l.* in excess of the estimate.

114. The gross revenue for 1882-83 was estimated last March at 6,049,000 *l.* It is now estimated at 6,128,700 *l.*, being 79,700 *l.* in excess of the Budget Estimate. This figure does not, however, accurately represent the full amount by which the Revised exceeds the Budget Estimate of Revenue. The Expenditure under *Salt* is now taken at 139,600 *l.* less than the Budget Estimate. To the extent of 59,000 *l.*, this large decrease of Expenditure is due to the following cause. At the commencement of the financial year a system prevailed in Northern India under which salt was conveyed by the Government from the salt sources to certain depôts. The charges likely to be incurred on account of transport from the sources to the depôts appeared on the Expenditure side of the Estimates of 1882-83, and, inasmuch as the cost of transport was added to the selling price of salt at the depôts, an analogous amount appeared on the Revenue side of the Estimates. During the year the depôt system was abandoned, with the result that both the Revenue and Expenditure under *Salt* were reduced to the extent of 59,000 *l.* The real excess of Revenue over the Budget Estimate is, therefore, not 79,700 *l.*, but (79,700 *l.* + 59,000 *l.*) 138,700 *l.*

115. Taking the two years together, therefore, the result is that the Estimate of gross Revenue framed last March stood at 13,262,000 *l.*, and that the Estimate now stands at 13,504,320 *l.*, being 242,320 *l.* in excess of the Original Estimate. To this figure, however, it is, as I have already explained, necessary to add a sum of 59,000 *l.*, thus bringing up to 301,320 *l.*, the true figure by which the Salt Revenue has exceeded the Estimate framed last March.

Results satisfactory.

116. Very rapid advance in this, or in any other matter, is not to be expected in *Natala*. But on the whole it may be said that the results obtained so far in connection

connection with the reduction in the duty on salt are satisfactory. The progress in the direction of increased consumption has been greater than was anticipated at the time the Budget Estimate was framed last March. Should the same rate of increase continue, the Revenue, at the reduced rate of duty, will in less than three years from the present time stand at the same figure as it did prior to the reduction of the duty.

VI.—REVISED ESTIMATES FOR 1882-83.

117. Up to the present time the Estimates for the year about to expire, which are presented at the time the Financial Statement is made, have been termed the Regular Estimates. I have been unable to discover how or why the word "Regular" came to be adopted. It was used by Mr. Laing in 1861. It was not used on the occasion of the Financial Statement of 1862, but it re-appeared in 1863, and its meaning was explained by Sir Charles Trevelyan in a foot-note. Since 1863 the word has always been used.

REVISED ESTI-
MATES FOR
1882-83.

118. There does not appear to be any reason for continuing the use of a word, which can only be understood by those who know the technical meaning attached to it, when another word, which any one can understand, is available. For the future, therefore, the word "Revised" will be used instead of "Regular."

119. I proceed to deal with the Revised Estimates for the year 1882-83.

120. The financial year which is about to close has presented many remarkable features. At the commencement of the year the salient points of the financial situation were as follows. The country had at length recovered from the disastrous effects of the famine of 1877-78. The return of peace enabled the Government to turn its attention to those fiscal and domestic reforms, the consideration of which had necessarily been postponed during the continuance of the Afghan war. A large surplus was available. A favourable opportunity presented itself, therefore, for the execution of certain fiscal reforms, the desirability of which had long been recognised. With the exception of the duty on wine, spirits, malt liquor, arms, ammunition, opium, and salt, the whole of the import duties were abolished. A large reduction was effected in the duty on salt. Some substantial relief was afforded to the agricultural classes in the North-Western Provinces and Oudh.

General situation
in March 1882.

121. Hardly had effect been given to these important and beneficial reforms, when it became apparent that three out of the four peculiar dangers to which the finances of India are exposed would, to a greater or less degree, have to be encountered in the immediate future. These dangers are war, a diminution of the opium revenue, an increase of expenditure on account of charges payable in sterling, and famine. In respect to every one of these dangers, including, in the particular instance in point, war, it may be said that their occurrence is governed by causes over which the Government of India can exercise little or no control. On the other hand, the entire brunt of bearing three out of four of these risks falls on the Imperial Government of India.

Dangers peculiar
to Indian
Finance.

122. In connection with this last remark I wish for one moment to digress, in order to show the bearing of the Provincial system of finance upon the points immediately under discussion.

The Provincial
system.

123. The policy of financial decentralisation, which was not the least of the numerous benefits conferred by Lord Mayo and Sir John Strachey on India, has been productive of the most beneficial results. In the remarks I am about to make I wish it to be clearly understood that I am very far from wishing to say anything in the slightest degree condemnatory of that policy. On the contrary it is, as is well known, a policy which commands the entire approval of the present Government, and with which, I may perhaps be permitted to say, I heartily sympathise. The advantages of the system far outweigh any of its disadvantages. On the other hand, it cannot be denied that this very desirable reform has been unavoidably accompanied with one disadvantage, and it is to this disadvantage that, for reasons which I will presently specify, I now wish to allude.

Its many ad-
vantages.

And one disad-
vantage.

Developments of the policy.

124. It will be remembered that the original policy of decentralisation has received further development on the two occasions, first in 1877, and again in 1882, when the quinquennial contracts between the Imperial and Provincial Governments terminated.

Arrangements under contracts of 1882.

125. On the occasion of the last Financial Statement (paras. 38-64) I explained fully the precise terms of the new Provincial contracts. It may, however, be convenient that I should again explain the general nature of the arrangements resulting from those contracts.

126. The Provincial Governments now receive the whole of the Revenue under heads which produce about 4,000,000 *l.* a year, half of the Revenue under heads which produce about 8,000,000 *l.*, a larger or smaller per-centage on heads (chiefly Land Revenue) which produce about 23,000,000 *l.*, and an almost nominal share in Revenue which produce about 7,000,000 *l.* On the other hand, the Provincial Governments administer the Expenditure wholly under heads for which the grants amount to about 15,000,000 *l.*, and, to a very small extent, under heads for which the grants amount to about 4,000,000 *l.* a year. In other words, about three-fifths of the Revenue of British India, amounting roughly to 42,000,000 *l.*, and about one-fourth of the Expenditure, amounting roughly to about 19,000,000 *l.* a year, have, under the contract of 1882, been provincialised; that is to say, the Provincial Governments have to a greater or less extent, according to the circumstances of each head, an interest in and responsibility for their administration.

Stability is essential to the system.

127. It is essential to the proper working of the Provincial system of finance that an element of stability should, to as great an extent as possible, be imported into the arrangements between the Imperial and Provincial Governments. Unless the latter are assured that any increase of revenue consequent on improved management, or any savings which may accrue from economical administration, will remain at their own disposal, but slight inducement will be offered to them to improve the management of their resources or to exercise economy in their administration. Accordingly, in concluding the contracts of 1882, the assurances previously given to the effect that the Imperial Government would not call on the Provincial Governments for any pecuniary assistance, save on occasions of very great and extraordinary emergency, were ratified, and, to some extent, emphasised. The money (670,000 *l.*) contributed by the Provincial Government towards the expenses of the Afghan war was at the same time repaid.

Famine the only danger to which Provincial finance is exposed.

128. It thus happens that, of the four dangers to which I have alluded above, one only, famine, can, save under very extraordinary circumstances, affect Provincial finances. I am far from condemning this arrangement. On the contrary, I think it is, on the whole, the best of which the circumstances of the case admit. It is the Provincial Governments, and not the Government of India, who are brought into immediate contact with the people. They supervise the whole of the ordinary administrative work of the country. Through their instrumentality, or through agency working in close connection with their officers, most of the smaller, and some of the larger, public works are executed. It is a distinct advantage that, should any sudden emergency arise, such as war, a diminution of the opium revenue, or a further depreciation in the value of silver, the Provincial Governments should be able to feel that the progress of any administrative reforms they may have undertaken, or the execution of any public works for which Provincial funds are available, will not be checked. On the other hand, it cannot be denied that, whilst the probability of any such emergency arising has in no degree diminished since the adoption of the Provincial system of finance, the power of the Government of India to cope with an emergency is to some extent impaired by reason of the pledges taken towards the Provincial Governments.

No further imperial grants can be made.

129. I make these remarks for the following reasons. All the new contracts have now been finally concluded. I mentioned in the last Financial Statement (para. 45) that some questions still remained outstanding with the Madras Government. These have now been settled. Under these circumstances it is very desirable that it should be fully understood that no further changes can be made in the terms of the several contracts. The Government of India, on its side, will adhere strictly to the principles laid down in the Resolution of 30th
September

September 1881. On the other hand, it must call upon the provincial governments to abide with equal strictness to their portion of the contracts. The contracts have not been made in any illiberal spirit. Each provincial government starts with a balance at its credit, and with a normal revenue in excess of its normal expenditure. Under these circumstances the provincial governments must look solely to the gradual development of their own resources, and to economy in their own administration, to provide whatever further funds may be required for services classed as provincial. The Government of India cannot entertain any further proposals for increased Imperial grants on account of those services. It may be, and probably is, the case that in almost every province of India the funds available are not commensurate with the work which, sooner or later, will require to be done. That is the normal condition of a country whose necessities are great, whilst the tax-paying power of its population is small. Under these circumstances, progress in many directions will possibly be comparatively slow, and it is inevitable, under all the conditions of Indian Government, that it should be slow. But what I particularly wish to point out is that the Government of India cannot at present make any further grants from Imperial funds in order to ensure more rapid progress. Indeed, in some respects, it may be said that the provincial governments are in a better position to provide whatever funds may be required than is the case with the Imperial Government. For the reasons which I have already given an element of stability is imported into provincial finance which Imperial finance cannot at present possess. Not only do the three points to which I have alluded constitute dangers which are wholly borne by the Imperial Government of India, not only does the fourth danger (famine) materially affect Imperial as well as provincial finance, but, if any further fiscal reforms are to be made, and there are several which it would be very desirable to make, any loss of money which may accrue from their execution must be borne by the Imperial Treasury.

130. To return from this digression. I have said (para. 121) that hardly had the large fiscal reforms of last year been carried out, when it became apparent that three out of the four dangers to which the finances of India are specially exposed would have to be encountered in the immediate future.

Altered situation during the year.

131. In the first place we have had a war. The cost of the Indian Contingent which was sent to Egypt is now estimated at 1,297,000 *l.* Her Majesty's Government has intimated its intention of repaying 500,000 *l.* (true sterling) of this amount to the Government of India. This sum of 500,000 *l.* will be brought to credit at once. A corresponding reduction will take place in the Secretary of State's drawings for 1883-84. The net cost of the Egyptian Expedition to the Indian Treasury will, therefore, be 797,000 *l.**

Egyptian Expedition.

132. Turning to Opium, I give below the net revenue for the last four years:

Opium.

	£.
1878-79 - - - - -	7,701,000
1879-80 - - - - -	8,252,000
1880-81 - - - - -	8,451,000
1881-82 { Revised Estimate - - - - -	7,838,000
{ Actuals - - - - -	7,805,000

133. The fluctuations in the opium revenue from month to month, and indeed from week to week, are so considerable that it is very difficult to make any very close estimate even for the short period of the present financial year which remains to expire. According to the best estimate that can be framed, however, the net revenue will probably amount to 7,217,000 *l.*, being 33,000 *l.* less than the Budget Estimate. The deficiency is due to the expenditure being greater

* This is the net figure which appears in the Revised Estimates for 1882-83, but in 1883-84 there will be a diminished charge under *Exchange* by reason of the reduction of 500,000 *l.* (true sterling) in the amount of the Secretary of State's drawings. The diminution of expenditure under this head may at present rates be calculated at about 115,000 *l.* It may be said, therefore, that the ultimate net charge which will fall on the Indian Revenues by reason of the Egyptian Expedition is 682,000 *l.* (*Rs.* 68,20,000).

greater by 95,000 *l.* than was anticipated last March. This excess expenditure is partly due to the fact that the opium crop in Bengal was a good one, and that therefore more money than was expected had to be paid for crude opium, and partly to the fact that 2,000 maunds of Malwa opium were purchased for the manufacture of exise opium. The excess expenditure is partly balanced by an increase of revenue to the extent of 62,000 *l.* over the Budget Estimate.

Competition of the Chinese drug.

134. It will be seen, therefore, that the estimated net revenue from opium for the current financial year is less by 1,234,000 *l.* than the actual receipts of 1880-81, less by 621,000 *l.* than the revised estimate for 1881-82, and less by 588,000 *l.* than the actuals of 1881-82. There can be little doubt that the main cause of this progressive diminution is to be found in the increased competition of the indigenous Chinese drug, to which I alluded in the last Financial Statement (paras. 143-145). The falling off in the opium revenue has not seriously disturbed the finances of the year. The net Budget Estimate will probably be nearly realised. What, however, I wish to point out is, that in former years opium has very often yielded a large sum in excess of the estimate, and has thus enabled the Government to meet any unforeseen demands which might be thrown upon it during the course of the year. Nothing of this kind has occurred during the current year. On the contrary the opium revenue is, as I have already mentioned, likely to fall below the Budget Estimate of 7,250,000 *l.* by 33,000 *l.* I shall presently revert to this question in dealing with the Budget Estimate for the year 1883-84 (paras. 195-207).

Exchange.

135. Turning to the question of exchange, it is to be observed that the Budget Estimate provided for the sum of 15,342,000 *l.* (true sterling) being remitted to England, and that the rupee was taken at 1 *s.* 8 *d.* During the last three weeks of March 1882 bills to the extent of 908,000 *l.* (true sterling) in excess of the requirements of the year 1881-82 were placed on the market. This amount was taken in deduction of the drawings for the current year, which were thus, so far as this transaction only is concerned, reduced to 14,434,000 *l.* (true sterling).

Serious inconvenience due to instability in the value of the rupee.

136. At no period has the inconvenience to India of having to make a large annual payment in sterling been more apparent than during the current year. I will not now attempt to discuss whether it is to the advantage of India that the value of the rupee expressed in sterling should be low, that is to say, lower than it used to be when the relative values of gold to silver were as 1 to 15½. That is a subject on which a great deal might be said. But it is not the fact that the value of the rupee is, comparatively speaking, low that causes inconvenience. It would be possible, although it might be exceedingly troublesome, to adjust the Indian fiscal system to a rupee of any value. What causes inconvenience alike to Government and to trade is that the value of the rupee is unstable. It is impossible to state accurately in Indian currency what the annual liabilities of the Government of India are. Those liabilities have to be calculated afresh every year according to the variations which take place in the relative value of gold and silver, and a calculation which will hold good for even one year is exceedingly difficult to make. In March 1882 the value of the rupee was taken at 1 *s.* 8 *d.*, and at the time this estimate was made it was a reasonable one, based on the facts of the past and present. The value of silver was then about 52 *d.* an ounce, which corresponds with a value of 1 *s.* 8²/₁₆ *d.* to the rupee. But since then the value of the rupee has been as high as 1 *s.* 8⁵/₁₆ *d.* and as low as 1 *s.* 7¹/₁₆ *d.* The average price obtained for the bills, amounting to 14,184,000 *l.* (true sterling), placed on the market up to 9th March 1883, has been 1-7¹/₁₆ *d.* When the Budget was framed it was thought that a debt of 14,184,000 *l.* (true sterling) would be liquidated by a payment of *Rs.* 17,02,03,000. It has actually cost *Rs.* 17,43,81,000 to liquidate that debt. It is sufficient to state these facts in order to show the grave inconvenience to the Government which results from the unstable value of the rupee.

Southern Mahratta Railway and Famine Insurance.

137. It will be desirable that I should explain in this place two financial transactions of the year which are intimately connected with each other and with the Expenditure under *Exchange*. The first relates to the transactions of the Southern Mahratta Railway Company. The second to the application of the annual grant of 1,500,000 *l.* under *Famine Relief and Insurance*.

138. The

138. The Southern Mahratta Railway was commenced by the Government as a famine work in April 1879, and work was afterwards recommenced by Government in November 1881. Up to the end of 1881-82, 394,000 *l.* had been spent on it, of which 291,000 *l.* had been charged to the protective grant. A further sum of 369,800 *l.* was provided in the Budget Estimates for 1882-83 from the protective grant for expenditure on this line.

139. In the summer of 1882 the line was handed over to a private Company. Capital to the extent of 1,724,600 *l.* (true sterling) has already been raised in London and paid to the Home Treasury of the Government of India. Of this amount about 550,000 *l.* is due to the Government for work already done, the remainder being intended to provide funds for the continuation of the works. The amount to be re-credited to the protective grant during the present year is estimated to be 270,000 *l.*, besides the expenditure incurred this year, and whatever is repaid will be credited to the head of *Famine Relief and Insurance*, and become available for the construction of Protective Works, in addition to the annual grant of 750,000 *l.* Further, the original allotment of 369,800 *l.* made in the Budget from the protective grant for expenditure on the Southern Mahratta Railway became available for expenditure on other protective works. The Public Works Department was, however, unable to spend the large sum of money which thus became available on Protective Works during the year. Their total net expenditure on these works in 1882-83 is now estimated at only 144,200 *l.* It was thought undesirable not to utilise at once the large sum of money belonging to the Famine Insurance grant which was thus available. A transfer of 605,800 *l.* will therefore be made to the Account of the Commissioners for the Reduction of Debt, thus increasing the amount available during the year for reducing debt to 1,330,200 *l.* A demand for money having recently sprung up, and the Secretary of State having already drawn the total sum required for the annual expenditure in England, it is contemplated to remit home an additional sum of about 1,000,000 *l.* (true sterling) during 1882-83, to invest this sum, and to apply it, as opportunity may offer, to the reduction of sterling debt in England. The Commissioners have been consulted on the subject, and approve of this arrangement. A separate account of the transaction will be rendered to them. The cost of the bills drawn in order to carry out this transaction will be debited to the Account of the Commissioners for the Reduction of Debt. In 1883-84 a reduction will be made in the amount available for *Reduction of Debt*, and a corresponding increase in the amount available for *Protective Works*; that is to say, the former having, in 1882-83, been increased to 1,330,200 *l.* will, in 1883-84, be reduced to 131,700 *l.*, and the latter having, in 1882-83, been reduced to 144,200 *l.* will, in 1883-84, be increased to 1,355,800 *l.* It is estimated that the direct expenditure on *Famine Relief* in 1882-83 and 1883-84 will be 25,600 *l.* and 12,500 *l.*, and consequently the aggregate expenditure on *Famine Relief*, *Protective Works*, and *Reduction of Debt* will be 1,500,000 *l.* in each of the years 1882-83 and 1883-84.

Reduction of
Debt.

140. So far I have only dealt with the transactions of the Southern Mahratta Railway Company mainly in so far as they affect the Revenue and Expenditure of the year. I now turn to the consideration of the transactions in so far as they have affected the Ways and Means of 1882-83.

141. As the capital of the Company was paid to the Home Treasury of the Government of India, it was necessary, in order to enable the Company to proceed with its works, to provide funds for the Company from the Treasuries of the Government of India. A sum estimated at 480,000 *l.* (400,000 *l.* true sterling) had to be so provided. For this, of course, no provision had been made in the Estimate of Ways and Means for the year. The Secretary of State, therefore, undertook to reduce his drawings during 1882-83 by an amount of 400,000 *l.* (true sterling), but he did not reduce his drawings by the total amount of the paid-up capital of the Company. The balance of the money paid by the Company to the Secretary of State in excess of 400,000 *l.* (true sterling) was used to strengthen the Home cash balance, and thus enable the Secretary of State to purchase the Madras Irrigation and Canal Company's undertaking. It results, therefore, that, inasmuch as the Government of India has to supply funds for the Company in India at a rate of exchange of 1 *s.* 8 *d.*, every 1 *l.* paid to the Company in India involves a payment of *Rs.* 12, of which *Rs.* 2 appears as expenditure under *Exchange*. As a matter of fact the total expenditure under *Exchange* is, on this account, increased by 126,500 *l.* in 1883-84.

Result of these operations.

		£.
Original Estimate	- - - - -	(True Sterling) 15,342,000
Deduct :-		
(1) Excess drawings in 1881-82 in round figures - - - -	900,000	
(2) Reduction by Secretary of State on account of Southern Mahratta Railway transactions - -	400,000	
Total Deductions	1,300,000	
Add :-		
(1) Remittance on account of Debt Commissioners - -	1,000,000	
Net Deduction - - -		300,000
Revised Estimate of Drawings - - £.		15,042,000

They are somewhat complicated. The general result, so far as the drawings and the expenditure under *Exchange* of the year 1882-83 are concerned, is as follows: (1) The Secretary of State's drawings for the year 1882-83 are now estimated at 15,042,000*l.* (true sterling), of which 14,184,000*l.* (true sterling) had been drawn up to 9th March; (2) the expenditure under *Exchange on Transactions with London* is now estimated at 3,116,000*l.*, being 341,000*l.* in excess of the Budget Estimate; (3) a further sum, estimated at 227,000*l.* representing *Exchange* on the remittance home of the sum of 1,000,000*l.* (true sterling) will be charged against

Appropriation for the Reduction of Debt (vide Abstract C.).

Budget Estimates, 1882-83.

143. The Budget Estimates for 1882-83 were as follows:—

	£.
Revenue - - - - -	66,078,000
Expenditure - - - - -	65,793,000
Surplus - - - £.	285,000

Revised Estimates, 1882-83.

144. I have already mentioned (para. 131) that net Expenditure to the extent of 797,000*l.*, for which no provision was made in the Budget, was incurred during the year on account of the Egyptian Expedition. Also that the Expenditure under *Exchange* is now estimated at 341,000*l.* in excess of the Budget Estimate (para. 142). In spite, however, of the Egyptian expenditure, of the heavy charge for *Exchange*, and in spite of the fact that the net *Opium* Revenue is expected barely to come up to the Estimate (para. 133), the Revised Estimate shows a small surplus of Revenue over Expenditure. It is as follows:—

	£.
Revenue - - - - -	67,914,000
Expenditure - - - - -	67,854,000
Surplus - - - £.	60,000

Reasons of surplus.

145. This satisfactory result is mainly due to two causes. In the first place the harvests were everywhere good, and the country has generally been in a prosperous condition. In the second place, in view of the large fiscal reforms which were carried out last year, it was thought advisable to frame all the Estimates of Revenue and Expenditure with even more than the usual caution. Otherwise it would not have been prudent to have undertaken those reforms.

Increases of Revenue.

146. Almost every branch of Revenue shows an increase over the Budget Estimate, whilst many branches of Expenditure show a diminution as compared with the Budget.* Thus the net *Land Revenue* (including *Portion of Land Revenue*

* In considering these figures it is to be borne in mind that the total amount by which the Revised Estimate, whether of an item of Revenue or of Expenditure, differs from the Budget Estimate, does not necessarily go to swell or diminish the Imperial surplus. Thus, to take a single example, an excess in gross Revenue of 284,900*l.* under *Eccise* means that the Imperial Government expects to receive 142,450*l.* and the Provincial Governments 142,450*l.*, more than was originally estimated. So also, to take an example on the Expenditure side of the Account, almost the whole of the amount by which the Expenditure under *Land Revenue* falls short of the Estimate, benefits the Provincial Governments only. The figures given above, therefore, must only be taken as a general indication of the reasons why the Imperial Revenue has more than balanced the Imperial Expenditure. I have not thought it necessary to state in detail to what extent the excess of Revenue or diminution of Expenditure benefits the Imperial and Provincial Governments respectively.

I may mention in connection with this point that the Increase and Decrease columns, which formerly appeared in Statements I. and II. under the old classification of the Accounts and Estimates (*see Appendix I., pages 64 to 67*) are not given in Abstracts A. and B. of the new classification (*see Appendix I., pages 50 to 55*). It will be readily seen that they could not conveniently be given. This is, without doubt, a disadvantage, but the new classification is so superior to the old classification in all other respects as to make its adoption desirable. As both the old and new classifications are published this year (*see para. 63 of Financial Statement*), the inconvenience will not be felt immediately.

Revenue due to Irrigation) shows an improvement of 172,000 *l.*, of which 60,000 *l.* is on account of increased Revenue, and 112,000 *l.* on account of a diminution in Expenditure. *Forests* (net) show an improvement of 107,000 *l.*; *Excise* (net) of 288,000 *l.*; *Customs* (net) of 91,000 *l.*; *Salt* (net) of 219,000 *l.*, of which 80,000 *l.* is for excess Revenue, and 139,000 *l.* for diminished Expenditure; *Stamps* (net) of 68,000 *l.*; *Railways*, including those classed as Productive Lines (*State, Guaranteed, and East Indian*) of 225,000 *l.* (net); and *Irrigation and Navigation* (net) of 53,000 *l.* on the Ordinary, and 17,000 *l.* on the Productive Account. The *Marine* Expenditure (net) is 104,000 *l.*, the *Army* Expenditure (net) 74,000 *l.*, and the Expenditure (net) under *Law and Justice* 121,000 *l.*, less than the Budget Estimate.

Diminutions of Expenditure.

147. The Revenue of the year has been swelled by two exceptional receipts. In the first place, certain remissions of *Land Revenue* were contemplated in the Bombay Presidency last year, and, in order to meet the loss on Imperial account involved in those remissions, a sum of 251,000 *l.* was credited to the Bombay Government in the Accounts of 1881-82. The amount remitted has, however, turned out to be less by 101,000 *l.* than was anticipated. This amount has therefore been again brought to the credit of the Imperial Government.

Exceptional receipts.

148. In the second place, the balance of the Patwari Fund in the North-West Provinces, amounting to 199,000 *l.*, has been brought to the credit of the Imperial Government. Under the arrangements made last year in connection with the abolition of the Patwari cess (*see* Financial Statement for 1882-83, paras. 59-63), the Imperial Government has to bear the charges formerly paid from the Patwari Fund. The balance of the Fund was devoted to meeting charges connected with Surveys and the preparation of a Record of Rights in permanently settled districts, and the charges on these accounts are being met at the cost of Imperial Revenues, which are recouped by receiving a credit of the balance of the Fund.

Patwari Fund.

149. Both of these are extraordinary items of Revenue which will not recur in future years.

150. On the other hand, the Expenditure under a few heads has exceeded the Budget Estimate, and some extraordinary expenditure has been borne which will not recur in future years.

Increases of Expenditure.

151. The Expenditure under *Interest on Debt* is now calculated at an increase in all of 119,000 *l.*, the increase being partly due to an arrear payment to the Maharaja of Patiala and partly to the charge for temporary loans in England in excess of the Budget Estimate; of this increase 71,000 *l.* appear in the Ordinary and 48,000 *l.* in the Productive Account. *Stationery and Printing*, owing mainly to unusually heavy purchases of stock, has cost 56,000 *l.* (net) more than was anticipated. The cost of *Administration* has exceeded the Estimate by 74,000 *l.*, and that of *Superannuations* (net) by 79,000 *l.*

152. It was thought desirable to complete the *Frontier Railways* as soon as possible. An additional grant of 60,000 *l.* in excess of the Budget allowance was, therefore, made under this head during the year. The *Southern Mahratta Railway* has cost 33,000 *l.* (interest charge), and *Subsidized Railways* have cost 21,000 *l.*, in excess of the Estimate. *Civil Buildings, Roads, and Services* are now estimated at 51,000 *l.* in excess of the Estimates. The excess is mainly due to additional grants having been made during the year for the extension of the Salt works at Uru in the Bombay Presidency, and for the erection of Government offices and clerks' quarters at Simla. The construction of these buildings will lead to a diminution in the present annual charge on account of rent for the houses now hired.

VII.—THE WHEAT TRADE.

THE WHEAT
TRADE.

153. The principal feature of the financial situation of the moment is that during the past year there has been a still further fall in the value of the rupee. The highest price obtained by the Secretary of State during the year 1882-83 for his Bills was 1 s. 8 $\frac{3}{16}$ d. on 5th April. The lowest price was 1 s. 7 $\frac{1}{16}$ d. on 20th and 27th December. The balance of trade between Europe and India was to an unusual extent settled by importations of silver, especially during the early months of the financial year. (see Appendix V.)

Value of silver.

154. Some temporary and adventitious causes may possibly have tended to depreciate exchange during the year. But, in the main, the value of the rupee expressed in sterling must, of course, depend on the relative value of gold and silver. The highest price realised for silver in the London market

**The Statist. Financial and Commercial History of 1882.* during the year 1882 was 52 $\frac{1}{16}$ d. per oz., corresponding to a rupee of 20·289 d.; the lowest 50 d. corresponding to a rupee of 19·3467 d.; the average was 51 $\frac{5}{8}$ d. per oz., corresponding to a rupee of 19·9755 d.* On the whole the general tendency has been downwards.

Importance of
removing obstacles
from trade.

155. The only way in which it is within the power of the Government of India to meet the difficulties attendant on a depreciation in the value of the rupee is to free trade so far as is possible from all obstacles, and especially to do all in its power to develop the export trade.

The Wheat Trade.

156. A great deal has already been done in this direction. The import duties have been almost entirely abolished. The export duty on rice remains. It would be most desirable that this duty should be removed. The financial situation does not, however, for the present permit of its abolition. Something, however, may be done in the way of encouraging the export trade in food grains, and especially in wheat.

Its recent devel-
opment.

157. This trade may, for all practical purposes, be said to date from the year 1873, when the export duty was removed. In 1881-82 nearly a million tons (19,863,520 cwt.) were exported. The export during the current year (1882-83) will probably be about 14,000,000 cwt.; a figure which, although below the exceptionally large export of 1881-82, is still 100 per cent. in excess of that of 1880-81. The great strides made in this trade during the last few years are to a great extent due to railway extensions in India, and, so far as the great exports of 1881-82 are concerned, to deficient crops in the United States.

Markets for Indian
wheat.

158. For all practical purposes it may be said that the whole of the Indian wheat trade is with Europe. In 1881-82 only 310,000 cwt. out of 19,863,000 cwt. were shipped to other than European markets. The largest market for Indian wheat—as for most of the other staple products of India—is England. Out of the total quantity exported in 1881-82, England took nearly one-half, and has taken about the same proportion during the current year. France took 5,308,000 cwt. last year (1881-82), and has this year (1882-83) taken over 3,000,000 cwt. out of the 11,828,000 cwt. already exported. Indian wheat also goes to Belgium, Holland, Italy, and Egypt. But shipments to Egypt are only nominally for that country. Ships go to Port Said “for orders,” and the exports recorded in our trade returns as going to Egypt are mostly intended for some Continental market.

Production of
wheat in England.

159. The total production of wheat in the United Kingdom is estimated by Sir James Caird at 12,000,000 quarters, or rather over 53,000,000 cwt. (2,650,000 tons). The yield is said by Sir James Caird to be decreasing. He estimates that from 1873 to 1877 the average yield was 2 $\frac{1}{4}$ quarters to the acre, and in 1879 not more than 2 quarters. In former years the yield has reached 3 $\frac{1}{4}$ quarters and more to the acre. He thinks that there is a decrease in fertility. The area under wheat is also diminishing, and land is being used for more profitable crops, for dairy-farming, for grazing, and for market gardening. Looking to the increase of population and to the general tendency to devote land to other uses than the growth of wheat, it may be anticipated that the demand for wheat in England from other countries will increase in the future.

160. During

160. During the calendar year 1882, the English market was supplied with wheat from abroad to the extent shown in the following table :—

Imports into
England from
Foreign Countries.

	<i>Cwt.</i>
Russia - - - - -	9,571,021
Germany - - - - -	3,083,921
Turkey and Roumania - - - - -	721,030
Chili - - - - -	1,656,361
Australia - - - - -	2,475,127
British North America - - - - -	2,684,828
United States - - - - -	35,059,623
Egypt* - - - - -	174,862
India - - - - -	8,477,479
Other Countries - - - - -	267,370
TOTAL - - - - -	64,171,622

161. In addition to this amount of wheat, wheat-flour to the extent of 13,028,705 cwt. was supplied to the English market from foreign countries during the year 1882, of which the United States furnished 7,777,262 cwt.

162. The total imports of wheat and wheat-flour were, therefore, 77,200,327 cwt., of which the United States supplied nearly 43,000,000 cwt., or about 56 per cent. of the whole. It is clear, therefore, that the United States is the most formidable rival with which India has to compete in the supply of wheat to the English market. Wheat-flour has not as yet been exported from India.

The United States.

163. In this competition the United States possess many natural advantages over India, which are, however, to some extent counterbalanced by one important disadvantage.

Their advantages.

164. Looking first to the advantages, it is certain that the United States can supply a much larger total quantity of wheat for export than can be supplied by India. Sir James Caird, addressing the Statistical Society on 15th November 1881, said :—

Relative production of the two countries.

“ In a single year the United States increased their acreage by an extent equal to our (the English) total growth. In the 20 years from 1840 to 1860 their wheat production rose from 10 to 20 million quarters. In the 20 years from 1860 to 1880 it grew from 20 to 60 million quarters, and their extent of good wheat land is practically unlimited. The two great corn products of that country are wheat and Indian corn, in regard to the first of which this country, and Western Europe generally, will become increasingly dependent on America, and the price of wheat here will be chiefly ruled by the production there.”

165. In the Statistical Abstract of the United States for 1881, it is stated that in 1880 the area under wheat was 37,986,717 acres, the total production amounting to 271,531,624 cwt., or over 62 million quarters (over 13½ million tons).

166. It is difficult to state accurately either the acreage under wheat in India or the total outturn of the crop. Our agricultural statistics are still very defective for most provinces, and there are none at all for Bengal. According to the figures given in the Administration Reports of the different Provinces, there were in 1880-81, 19,474,594 acres under wheat. These figures are, however, inclusive of 1,000,000 acres in Bengal, which is simply a guess, and is probably very wide of the mark. We shall probably not be far wrong if we take 21 millions as the total present acreage. The great wheat fields are in the Punjab,

Acreage under cultivation in India.

* The low imports from Egypt were due to the war. The average imports from that country to England are considerably higher than the figure given above.

Punjab, where also the quality is the best, the North-West Provinces, Oudh, and the Central Provinces. Bombay, Berar, and Bengal also grow wheat extensively, though in smaller quantity.

Outturn per acre.

167. The outturn per acre varies enormously according to the province and soil, and according to whether the field is irrigated or not. It is difficult to attain accuracy on this point, but it would seem that for all India the average yield cannot be taken, on a liberal estimate, at more than 700 lbs. to the acre, which is less than half the produce of the English (from 1,500 to 1,600 lbs.), and considerably less than that of the American wheat fields (850 lbs.).* At this rate of yield the total outturn would be about 6½ million tons, of which it may roughly be said that about one million tons are available for export.

Capability of increased production.

168. The question of the extent to which the amount of wheat available for export could be increased without trenching on the food supply of the people or materially enhancing prices is one of great difficulty. Some remarks bearing on the subject will be found in the Report of the Famine Commissioners, Part I, para. 158. Some high authorities are of opinion that, under favourable conditions as regards the prospect of a market, it would be possible within a few years to double the amount of wheat available for export, that is to say, to increase it to about 40,000,000 cwt. There can be no doubt that very large quantities of land are awaiting cultivation, especially in the Punjab, Burma, Assam, and the Central Provinces, but of course a good deal of this land is not suitable for the cultivation of wheat. In the eastern districts of the Central Provinces the new lines of railway will now open out a very large tract of wheat-producing country, which up to the present time has been unable to find a market for its surplus produce owing to defective means of communication.

169. Any opinion on this subject can be little more than conjecture. All that can be said with certainty is that, on the one hand, the Indian outturn is capable of very considerable increase, and that the growth of the population in India is proceeding at a relatively slower rate than that of the United States, with the result that the proportionate amount of any increased production required for home consumption is less in the former than in the latter country. On the other hand, the processes of American are superior to those of Indian agriculture. The land in the North-Western and Western States is unexhausted, and is of very great natural fertility. The acreage available for further cultivation is described on high authority as being "practically unlimited." The yield per acre in the United States is larger than in India. Under these circumstances it may be regarded as certain that, although the Indian supply of wheat available for export may be very considerably increased, the American supply may be increased to a still greater extent.

Ocean freights.

170. A further advantage possessed by the United States over India is in the matter of ocean freight. This advantage is not so great as might be the case under different conditions as regards the fiscal laws of the United States. The heavy duties levied by the United States Government on imported foreign goods naturally check the imports into America from Europe, with the result that, in the comparative absence of a demand for freight from Europe to America, shipowners are obliged to recoup themselves by charging relatively high freights from America to Europe. The disadvantage under which America labours by reason of this condition of things is artificial and not natural. It is imposed by the fiscal law and would be removed were that law changed. In spite, however, of the present condition of the United States Customs Tariff, proximity to the English market, together with the fact that Indian shipping has to pay canal dues, is sufficient to turn the scale in favour of the United States. The distance from New York to Liverpool is 3,073 miles. The distance from Calcutta to London by sea is 8,083 miles; from Bombay to London

* In some places in America 25 bushels to the acre and more have been taken off an acre, but this quantity is greatly in excess of the average yield. The average outturn in 1880 for all the United States was 799 lbs. to the acre, but this was a small yield. In 1877 it was 848 lbs. A yield of 850 lbs. to the acre is probably a fair general average.

As regards the figure given above for India (700 lbs.), it is to be borne in mind that it purports to give the average yield per acre. In some districts the yield is certainly in excess of this figure, and on all irrigated land the yield is largely in excess of 700 lbs.

London 6,274 miles; from Kurrachee to London 6,080 miles. Dues are levied on passing through the Suez Canal at the rate of 10 *fs.* 50 *c.* per registered ton.

171. The charge for steamer freight from New York to Liverpool is very variable. The rates in 1881 and 1882 were, on an average for the year: — Comparative freights.

	1881.	1882.
	<i>s.</i> <i>d.</i>	<i>s.</i> <i>d.</i>
To Liverpool - - - -	15 2	12 2
„ London - - - -	16 11	16 -

172. In January of the present year the rates were, to Liverpool, 21 *s.* 9 *d.*, and to London 22 *s.* 9 *d.* per ton. Freights seem generally to rule high in January. Comparing the rates from New York to Liverpool for 1882 with Indian rates, we find that during the year 1882 the average charge from Kurrachee to London was 1 *l.* 18 *s.* 9 *d.* a ton; from Bombay to London 1 *l.* 15 *s.* 2½ *d.*; from Calcutta to London 2 *l.* 2 *s.* 11 *d.** Taking the average American rates of 1882 as the basis of comparison, New York may be said to possess an advantage over Kurrachee to the extent of about 26 *s.* 7 *d.* or 22 *s.* 9 *d.* a ton, over Bombay of 23 *s.* 0½ *d.* or 19 *s.* 2½ *d.*, and over Calcutta of 30 *s.* 9 *d.* or 26 *s.* 11 *d.*, accordingly as the Indian rates are compared with the New York rates to Liverpool or to London. On the other hand, Indian rates compare favourably with freight from San Francisco to the United Kingdom, which in 1881 averaged 3 *l.* 3 *s.* 11½ *d.* a ton. Last year, of the whole import of wheat into the United Kingdom from the United States, 42 per cent. was shipped from the Pacific seaboard; in 1881 it was 31 per cent.; in 1880 only 18 per cent.

173. The United States possess a further advantage in facility of inland communication. The American railway system has been very rapidly extended during the last few years. No less than 105,000 miles of railway are now open. This rapid progress is due to the vigorous commercial enterprise of the people of America, and to the large amount of capital seeking investment in American undertakings. It is in this respect more than in any other that India presents a remarkable contrast. Local capital is either not available, or seeks, generally speaking, for more profitable investments than Indian Railways afford. English capital has only recently begun to turn its attention to Indian Railways, and can as yet scarcely be persuaded to dispense with Government assistance. The development of the country has up to the present time mainly devolved on Government, and, as a necessary result of this state of things, progress has been relatively slow.

Railway communication.

174. In the matter of railway rates also American is at a great advantage as compared to Indian wheat. So far back as 1876 the rate from Chicago to New York, a distance of 960 miles, was on an average 17 cents a bushel, or 1 *l.* 5 *s.* 6 *d.* per ton for the whole distance. In 1878 and 1879, the published tariff rate was 20 cents per 100 lbs. (18 *s.* 4 *d.* per ton) for the whole distance, but under stress of competition wheat was carried from time to time in 1879 to New York at 18, 15, and even as low as 10 cents per 100 lbs., or 9 *s.* 2 *d.* per ton for the whole distance. Sir James Caird, in his evidence before the Royal Agricultural Commission in December 1881, said that the rate had been reduced as low as ¼ *d.* per ton per mile. This rate is equal to 1 *l.* per ton for the whole distance. The writer of an interesting pamphlet recently published in India † gives 14·5 cents a bushel as the latest rate he has seen quoted. This is equal to 1 *l.* 1 *s.* 9 *d.* per ton for the whole distance. In the official Report on the

Railway rates in the United States.

† "Indian Wheat versus American Protection; or, the Influence on English Trade and American Protection of the Development of India."

* The rates stated here for Bombay and Kurrachee are for the ton of 20 cwt., the rates quoted in commercial circulars being for the ton of 16 and 18 cwt. respectively.

the Foreign Commerce of the United States for the fiscal year ending 30th June 1882, by the Chief of the Bureau of Statistics, the following figures are given as the average through rates in 1881 from Chicago to New York :—

	Cents per Bushel.	In Sterling per Ton.
		<i>s. d.</i>
By lake and canal - - - - -	8·6	12 11
By lake and rail - - - - -	10·4	15 7
By rail entirely :		
(1.) During the season of navigation only - - - - -	11·7	17 6
(2.) During the year - - - - -	14·4	21 7

175. The competition of water carriage has evidently a marked effect on rail rates in America. In India, although about 20 per cent. of the wheat brought to Calcutta is still brought down the river in boats, this traffic does not in the least regulate the railway rates.

176. I have been informed on good authority that wheat is now carried from St. Louis, down the Mississippi, all the way through to Liverpool, for 14 cents a bushel, which is equal to 4 *s.* 7½ *d.* per quarter, or 1 *l.* 1 *s.* 1½ *d.* per ton. Mr. Leyland, owner of the Leyland line of steamers trading between Boston and Liverpool, told the Royal Commission on Agriculture that the custom is to take the wheat at Chicago (about 1,500 miles from Boston) and deliver it at Liverpool at a through rate, including everything. This rate in 1881 averaged 10 *d.* a bushel of 60 lbs., or 1 *l.* 11 *s.* 1½ *d.* per ton, of which two-fifths went to the ship and three-fifths to the railway, the division being made by arrangement.

And in India.

177. Turning to India, we find that the rate charged in March 1883 by the East Indian Railway from Delhi to Howrah, a distance of 954 miles, is *Rs.* 71 per 100 maunds, which, at an exchange of 1 *s.* 7½ *d.*, is equal to 1 *l.* 11 *s.* 5 *d.* per ton.

178. From Lahore to Kurrachee, a distance of 821 miles, the rate is 12 annas 3 pie per maund, equal to 1 *l.* 13 *s.* 11½ *d.* per ton for the whole distance.

179. From Delhi to Bombay, over the Rajputana Railway, a distance of 889 miles, the rate until very recently was 13 annas 6 pie per maund, equal to 1 *l.* 17 *s.* 5½ *d.* per ton for the whole distance.

180. From Jubbulpore to Bombay, a distance of 616 miles, the rate is 10 annas 5 pie per maund, equal to 1 *l.* 9 *s.* 8½ *d.* per ton for the whole distance; that is to say, it costs considerably more to carry a ton of wheat 616 miles over the Great Indian Peninsular Railway, than it does to carry the same quantity 960 miles over the American line.

181. A comparison of rates from other stations would produce similar results. But it is unnecessary to go further. It is abundantly clear that the Indian are much higher than the American rates.

Management of the trade.

182. In the detailed management of the trade also America has the advantage over India. There is far less handling of the wheat between the field and the hold of the ship in the former than in the latter country. The wheat is brought from the field into store-houses, and thence shot in bulk into the wagons, which are either brought alongside the ship or to warehouses which lie close to the ship. In India, on the other hand, wheat is brought from the field to a central station, say Cawnpore, is there bought by one trader (perhaps the agent of the shipping firm, perhaps another intermediary) from another trader, who has bought it from the cultivator. It is stored and bagged, then carted to the railway station, unloaded, stacked at the station, and again unstacked to be loaded into the wagons. On arrival at the port of shipment it is unloaded, stored, perhaps bought and sold once more, then carted to the shore, and put on board either from a jetty or from a boat.

183. Indian wheat is quoted in the London market at a lower price than American or Australian wheat. The average comparative prices during the year 1882 were as follows :—

Price of Indian wheat.

	Per Quarter.	
	s.	d.
American, best - - - - -	48	9
Calcutta, Club No. 1 - - - - -	43	1
Australian, best - - - - -	50	5

184. I am informed that the relatively low price of Indian wheat is not so much due to its quality, which is generally very good, but to its admixture with dirt and other inferior grains. At present shippers pay for the conveyance of about 5 per cent. of dirt to England.

Mixture with dirt and other grains.

185. The admixture of inferior grains with the wheat, is, I believe, due to the fact that cultivators often grow other grains in the same field as wheat, as a resource in the event of the failure of the wheat crop. This practice tends to keep down the price of Indian wheat.

186. Against this long list of disadvantages under which the Indian agriculturist labours, as compared with his American competitor, must be balanced one advantage which is very considerable. India enjoys free trade, whilst America labours under all the disadvantages of a tariff designed to protect indigenous manufactures.

Advantages of India over America.

187. The disadvantage under which America labours by reason of its protective tariff is very great. The fiscal laws of the United States oblige the American agriculturist to sell in the cheapest and to buy in the dearest market. For all woollen,* cotton, linen, and silk manufactures, for iron and steel, for leather, for earthenware and crockery, for tin plates and ware, for hemp and jute fabrics, and for window glass, the American agriculturist has to pay from 20 to 77 per cent. extra, the average being 43 per cent., as the cost of protecting indigenous manufactures. An able writer on economic subjects† has estimated that the agriculturists of the United States paid 400,000,000 dollars (82,192,000 £.) a year as the cost of protection, and ten years ago it was stated on high authority (Mr. D. Wells) that the average purchasing power of labour in the United States had been depreciated to the extent of 19½ per cent. between 1860 and 1873.

American protection.

† "The Western Farmer of America." Mr. A. Mongredien.

188. India, on the other hand, labours, for the purposes of the present argument, under no artificial disadvantages imposed by fiscal legislation. The Indian producer of wheat is absolutely free to exchange his exportable produce to the best possible advantage with the products of foreign countries.

Free trade in India.

189. I have dwelt at some length on this subject, not only on account of its intrinsic importance, but because I shall be glad if I succeed in drawing the attention of those who have a more intimate practical acquaintance both with the trade and the conditions of Indian agriculture than any to which I can pretend, to the necessity of exertion with a view to strengthening by all possible means the position of Indian wheat in the English market. I have not discussed the question of the relative cost of production in India and in the United States, because, independently of the somewhat difficult economic issues involved in this question, it is very difficult to obtain facts of a sufficiently reliable nature to permit of any very accurate general conclusion being drawn from them. I may say, however, that there is reason to suppose that the prime cost of production in India is less than in the United States.

Importance of the subject.

190. It

* The duty on Wool has within the last few weeks been reduced, and that on Cotton Goods and Metals has been increased.

Reduction of
Railway Rates.

190. It remains for me to state the measures which have been adopted by the Government with a view to facilitating the export of wheat to Europe. In the first place the through rate for wheat conveyed from Delhi or Agra to Bombay has, in communication with the agent of the Bombay, Baroda, and Central India Railway, been reduced from 13 annas 6 pie to 11 annas a maund, and for other grains and seeds of the same class to 11½ annas a maund. The reduction in the case of wheat will, therefore, be 18·5 per cent. on the present rates. It will, no doubt, be followed by a corresponding reduction on the East Indian Line. For the future it will be possible to lay down wheat coming from about Delhi or Agra to Calcutta or Bombay at a price of Rs. 4-4-3, or, at an exchange of 1 s. 7½ d., 6 s. 11½ d. per ton less than has heretofore been the case. To state the case in another way, the lowering of the rates is equivalent to a reduction in price of slightly over 1 s. 6 d. per quarter of wheat in the London market.

Minimum loads.

191. In the second place, the restriction as regards minimum loads has been abolished on the Rajputana and Bombay, Baroda, and Central India lines.

Facilities at
Stations and Ports.

192. In a letter recently issued from the Public Works Department, giving effect to this decision, the following passage occurs:—

“ In conclusion, I am to draw general attention to the fact that every expansion of the export trade will bring to bear a heavier strain upon the facilities for handling, warehousing, removing, and shipping produce at the railway stations and ports. These facilities are believed to be even now in many cases inadequate, and their improvement will, his Excellency the Governor General in Council trusts, engage the serious attention of the several local authorities at an early date.”

I trust that this very important branch of the subject will receive the serious attention which it deserves.

Improved commu-
nications.

193. Turning to the question of improved communications, it is to be observed that during the last two years the Railway policy of the Government of India has been unsettled. I do not think that is any matter for surprise or for regret. In inaugurating a policy under which railways were, to some extent at all events, to be constructed through the agency of private enterprise, it was almost inevitable that there should be a period of transition during which it would be exceedingly difficult to adhere to any fixed policy. It was easy to declare beforehand the broad aim which the Government sought to attain, namely, the construction of railways through the agency of unaided private enterprise, but experience alone can show how far that aim was attainable. We have now had two years' experience of the private enterprise policy. During that time a certain number of facts have been accumulated, which, we think, are sufficient to enable us to lay down a definite policy, at all events for the immediate future, say, for five years. We have, therefore, very recently addressed the Secretary of State on the subject, but I am not as yet in a position to state what the final decision of the Government will be.

Progress in the
construction of
Railways.

194. In the meanwhile I may as well state very briefly what have been the main facts as regards railway construction during the last two years. At the commencement of the year 1881-82 there were 9,619 miles of railway open to traffic, and 646 miles under construction, making a grand total of work either completed or in hand of 10,265 miles. At the commencement of the year 1882-83 there were 9,961 miles of line open for traffic and 1,302 under construction, making a grand total of 11,263 miles either completed or in hand. During the year 1882-83, 290 miles were opened to traffic, and the commencement of 1,194 miles of new line was authorised. The present position, therefore, is that we have 10,251 miles of line open to traffic, and 2,332 miles either under construction or sanctioned for commencement in 1883-84. It is expected that 719 miles will be opened for public use during the year 1885-84, leaving 1,613 miles for completion in 1884-85 and subsequent years. Comparing, therefore, the commencement of the year 1881-82 with the commencement of 1883-84, it will be found that the amount of line either open or under construction has in two years been increased by 2,318 miles. An immense deal, of course, remains to be done, and I trust it may be possible in the future to push forward the construction of railways at a more rapid pace than in the past. At the same time it may be held that the progress during the last two years has, on the whole, been fairly satisfactory.

VIII.—BUDGET ESTIMATES, 1883-84.

195. I have already mentioned (para. 133) that the net Opium Revenue for 1882-83 is now estimated at 7,217,000 *l.* I pointed out on the occasion of the last Financial Statement (paras. 139 and 140) that, during the four years 1878-79, 1879-80, 1880-81, and 1881-82, the annual sales of Bengal Opium had been in excess of the annual production, and, further, that these large sales had only been possible by reason of the exceptionally good crops of 1875-76 and 1876-77, which had enabled a very strong reserve to be constituted. I alluded to the fact that since 1878 the reserve had been steadily diminishing in quantity. I added—

“ This process of depletion cannot continue indefinitely. An exceptionally good crop may, indeed, again replenish the reserve. But we cannot rely on a fortuitous circumstance of this sort. An average crop, or, at all events, a succession of average crops, will oblige us to resort to one or two alternatives. We shall be forced either to increase the production, or to diminish the amount offered for sale.”

196. The final result of the Opium crop is known about the month of June or July. The outturn of “ provision ” opium—that is to say, opium for export to China—in 1881-82 was 54,039 chests. The number of chests offered for sale in 1881-82 was 56,400. It was, therefore, thought desirable to reduce the number of chests to be offered for sale in 1883-84. Accordingly, on 28th June 1882, the year’s notice required by custom was given to the effect that, from August 1883 (inclusive), the number of chests offered for sale would be reduced from 4,700 to 4,450 a month, a reduction at the rate of 3,000 chests in the year. It follows that during the year 1883-84 there will be four monthly sales of 4,700 chests each, and eight monthly sales of 4,450 chests each. In all 54,400 chests will be offered for sale in 1883-84, being 2,000 chests less than in 1882-83.

197. Turning to Malwa Opium, it will be remembered that on 28th June 1882, the duty was reduced by *Rs.* 50 a chest.

198. It is under these circumstances that we have to consider the Opium Estimate for the coming year.

199. It is to be remembered that a reduction in the number of chests of Bengal Opium offered for sale should, all other things being equal, enhance the price which is realised on the diminished number of chests which are sold. But the reduction in quantity during 1883-84 (2,000 chests) may not be sufficient to exercise any appreciable effect on prices. It would not, therefore, be prudent to rely on a rise of price.

200. Also it is to be remembered that a diminution in the export of Bengal Opium to China will probably lead to a corresponding increase in the export of Malwa Opium. But here again it would not be prudent to rely on any compensating action of this sort in framing the Estimate for the coming year.

201. After a full consideration of the details of the question, it has, therefore, been decided to take the gross Opium Revenue for 1883-84 at 9,200,000 *l.*, being 362,000 *l.* less than the figure shown in the Revised Estimates for 1882-83.

202. I turn now to the question of Expenditure. The expenditure under this head depends almost entirely on the yield of the poppy crop in Bengal and the North-West Provinces. As I have already mentioned (para. 133), the expenditure during the current year has been, relatively speaking, somewhat high (2,345,000 *l.*), owing partly to the fact that the outturn of both the Patna and Benares Agencies was somewhat above the average of past years, and partly to the fact that 2,000 maunds of Malwa Opium were purchased during the year to be manufactured into opium for sale in India, thus allowing the reserve of Bengal Opium, which has heretofore been exclusively supplied for sale in India, to be strengthened to a corresponding extent.

203. The accounts received up to the present time as regards the crop in the Benares and Patna Agencies, especially in the latter, are unsatisfactory. The total outturn of the two Agencies is at present estimated at not more than 47,000

chests. Much reliance cannot, however, be placed on any estimate formed at this period of the season. All that can be said with certainty is that the total crop will be considerably below the average, and that the final results are more likely to prove worse than they are to prove better than the present Estimate.

Estimate of
Expenditure.

204. The bad consequences of a short poppy crop do not make themselves felt immediately. The immediate effect of a partial failure of the crop is to strengthen the financial position by diminishing Expenditure. The ultimate effect is, probably, to weaken the financial position by diminishing the Revenue. It is probable that the Expenditure in 1883-84 will fall short of that in 1882-83 by 270,000 £, but, in framing the Estimates, it has not been thought prudent to rely on so large a reduction of Expenditure. The Expenditure has, therefore, been taken at 2,165,000 £, being 180,000 £ less than that shown in the Revised Estimate for 1882-83.

Net Revenue.

Revenue - - - - -	£	9,200,000
Expenditure - - - - -		2,165,000
Net Revenue - - - - -	£	7,035,000

205. The net opium revenue has, therefore, been taken at 7,035,000 £, being 182,000 £ less than the Revised, and 215,000 £ less than the Budget Estimate of 1882-83.

Number of chests
for sale.

206. In recent years it has been the custom to give a full year's notice of any change which is contemplated in the number of chests of Bengal opium offered for sale. The necessity of giving so long a notice is inconvenient from the point of view of the Government. It will also be possible to abridge the period without causing any inconvenience to the trade. But we are pledged not to make any change in the existing system without giving a full year's notice. The present system will, therefore, remain in force until the end of March 1884. For the future the following plan will be adopted. The yield of the opium crop is always known accurately about the month of June or July. When it is known, the number of chests to be offered for sale during the next calendar year will be publicly notified. A formal notification giving effect to this change of system will issue immediately.

Summary of
position.

207. It may be convenient to those who are interested in the Bengal opium trade that I should summarise the main facts of the present situation. They are as follows:—

(1.) Four thousand and seven hundred chests of opium will be offered for sale each month from April to July 1883 (both months inclusive).

(2.) Four thousand four hundred and fifty chests will be offered for sale each month from August 1883 to March 1884 (both months inclusive).

(3.) For the future the system of giving a full year's notice of any change in the number of chests to be offered for sale will be abandoned. The quantity to be sold in one calendar year will be publicly notified about the month of June or July of the preceding year.

(4.) It is the intention of Government to reduce the number of chests which will be offered for sale in 1884-85, below the quantity fixed by the notification of 28th June 1882 (4,450 chests a month), but I am unable at present to state the precise amount of the reduction. A notification giving this information will issue so soon as the final results of the present opium season are known; that is to say, about the beginning of July 1883.

(5.) It is at present estimated that the total outturn of the Patna and Benares Agencies for the current year will be not more than 47,000 chests of "provision" opium; that is to say, opium for export to China. But any estimate which can at present be framed must necessarily be very unreliable.

(6.) The opium reserve will, on 31st December 1883, stand at 13,859 chests.

Exchange.

208. I now turn to the question of *Exchange*. There is at present every reason to suppose that there will be a considerable demand for money during the early months of 1883-84. The export of wheat will, not improbably, be stimulated by the reduction in the railway rates to which I have already alluded (Part VII.). Under these circumstances it is quite possible that a higher average rate for Bills may be realised in 1883-84 than has been realised in

1882-83 (1 s. 7.52 d.) On the other hand, the Secretary of State's drawings for 1883-84 are now estimated at 16,300,000 l. (true sterling), being 958,000 l. (true sterling) in excess of the Budget Estimate for 1882-83, 15,342,000 l. (true sterling). The future of silver is also uncertain. Under these circumstances it would not be prudent to take a higher figure than 1 s. 7½ d. as the value of the rupee. Taking the rupee, therefore, at 1 s. 7½ d., the Expenditure under *Exchange on Transactions with London* for 1883-84 is estimated at 3,548,000 l., being 773,000 l. in excess of the Budget, and 432,000 l. in excess of the Revised Estimates for 1882-83.

209. The other Estimates have been cautiously framed. *Land Revenue* (net) is taken at 50,000 l., and *Forests* (net) at 76,000 l. less than in the Revised Estimates of 1882-83. *Excise* (net) is taken at a figure (9,000 l.) very slightly in excess of the Revised Estimate for the current year. *Customs* (net) are also taken very slightly (3,000 l.) in excess of the Revised Estimates, although, owing to a reduction of establishment consequent on the abolition of the import duties, the expenditure will be 13,000 l. less than in 1882-83. *Salt* (net) is taken at 9,000 l. less than during the current year, an increase of expenditure to the extent of 47,000 l. being anticipated. This is a very low estimate, and will probably be exceeded. *Stamps* (net) are taken at 34,000 l. more than the Revised Estimate, which allows for less than the normal growth of Revenue. The *Mint* receipts (net) are taken at 37,000 l. less than the Revised Estimate, in order to allow for a probable diminution in the imports of silver, on which the receipts under this head mainly depend. *Railways* (*State, Guaranteed, and East Indian*, net) have been taken at 209,000 l. over the Revised Estimates. The Estimate is a moderate one. *Railways* (*Ordinary*) have been taken at 40,000 l. less than the Revised Estimate.

Other Estimates of Revenue.

210. On the expenditure side of the Account, full provision has been made for all wants that can now be foreseen. The extension of the railway system necessitates heavy expenditure under *Telegraphs*. An increase of 85,000 l. over the Revised Estimates for the current year is allowed under this head. Allowance is also made for increased expenditure under *Scientific and other Minor Departments* (44,000 l. net), *Law and Justice* (91,000 l. net), *Police* (78,000 l. net), *Education* (61,000 l. net), *Medical* (24,000 l. net), *Territorial and Political Pensions* (55,000 l.), *Miscellaneous* (84,000 l. net), *Subsidized Railways* (30,000 l.), and *Southern Mahratta Railway* (52,000 l.).*

Expenditure.

211. On the other hand, in respect to three large items, the expenditure of 1883-84 will fall below that of 1882-83. There is a diminution of 188,000 l. under *Refunds and Drawbacks*. This is due to the cessation of the large remissions of Land Revenue in Bombay, and to the fact that the refunds under *Customs* will be much less in 1883-84 than they were in 1882-83. The expenditure on *Frontier Railways* has now nearly ceased, thus reducing the expenditure by 214,000 l. as compared with the Revised Estimates of 1882-83. The Expenditure under *Irrigation and Navigation* (*Ordinary*) is taken at 116,000 l. less, and that on the *Productive* account at 23,000 l. more than the Revised Estimate. The reduction under *Irrigation and Navigation* (*Ordinary*) is principally in Provincial Expenditure, and but slightly affects the Imperial Surplus or Deficit. Under this head also the charge of 50,000 l. for payment of interest to the Madras Irrigation and Canal Company, which is shown in the Budget Estimate of 1882-83, disappears now that the works of the Company have become the property of the Government. Under *Civil Buildings, Roads, and Services* there is a reduction of 119,000 l. below the Revised Estimate for 1882-83. *Marine* also shows a reduction of 30,000 l.; *Stationery and Printing* of 32,000 l.; *Political* of 69,000 l.

212. I append to this Statement (Appendix VI.) a minute by my honourable colleague, General Wilson, which gives full explanations as regards the Military expenditure of the year.

213. It will be remembered that when, in 1880-81, the net Revenue derived from Opium amounted to 8,451,000—the largest sum ever realised—and when, in

Opium.

* See note to para. 146 of this Statement. It is to be borne in mind that in some cases the increase of Expenditure does not affect Imperial Finance, as the charges are Provincial.

in spite of this fact, the net Revenue for 1881-82 was taken in the Budget Estimates at only 6,500,000 *l.*, this latter Estimate was severely criticised, both in and out of Parliament, as being too low. At the time when the Estimate was framed, I freely admit that it was almost certain that the net Revenue for 1881-82 would amount to more than 6,500,000 *l.* As a matter of fact, it amounted to 7,805,000. Further, as a matter of technical finance, it may very fairly be said that it is not right to deliberately under-estimate any item of Revenue. But that was not the really important point at issue. It makes little practical difference whether the Estimates are framed on the basis of a surplus of 500,000 *l.*, and on an estimated net Revenue from opium of 6,500,000 *l.*, or whether they are framed on the basis at a surplus of, say 1,500,000 *l.*, and a net Revenue from Opium of 7,500,000 *l.* The really important question to decide, in March 1882, was this,—to what extent was it safe to take off taxes in reliance on a higher net Revenue than 6,500,000 *l.* from Opium?

Connection
between Opium
and Salt.

214. In the Financial Statement of last year (para. 192) I gave the following answer to this question:—

“ If we abandon a source of Revenue which involves a permanent and absolute loss of money, and which, moreover, from whatsoever reason, it would be difficult, in the event of the Opium Revenue failing, to restore to its former position, then the course would be open to great objection. If, on the other hand, we reduce a duty with a fair hope that the reduction will increase consumption, and thus, after a while, recoup us for any loss, and if, moreover, the duty can, without any great fiscal disturbance, be re-imposed in the event of the Opium Revenue falling off, then the reduction of taxation would be unobjectionable. The Salt Duty falls within the latter of these two categories.

“ It has been decided, therefore to estimate the net Opium Revenue in 1882-83 at 7,250,000 *l.*, and simultaneously to afford some substantial relief to the tax-payers in the shape of a reduction of the Salt Duty. * * * * * If any unforeseen circumstance, such as a heavy fall in the value of silver, takes place, and if at the same time the reduction of the Salt Duty does not result in any considerable increase in the consumption of salt, it would be open to us to return temporarily to a higher rate of duty.”

Salt a fiscal
reserve.

215. It will be seen, therefore, that the intention, under certain contingencies, of using the Salt Duty as a fiscal reserve, was distinctly indicated.

216. The loss of Revenue involved in reducing the Salt Duty (1,400,000 *l.* a year) has, as I have already mentioned (para. 111), been already recouped by increased consumption to the extent of 320,600 *l.*, a result more satisfactory by 302,000 *l.* than that which was anticipated last March. But, in view of the facts (1) that the net Opium Revenue of 1883-84 is taken at 215,000 *l.* less than that of 1882-83 (Budget Estimate); (2) that the Expenditure under *Exchange* is estimated at 773,000 *l.* more than in 1882-83 (Budget Estimate); and (3) that, as is pointed out by General Wilson (*see* his Minute in Appendix VI.), the savings in Military Expenditure in India have been to a great extent swallowed up by an increase of 100,000 *l.* (true sterling) on account of non-effective charges in England,—it would have been no matter for surprise if the Government had been obliged to resort to an enhancement of the rate of duty on Salt in order to balance the Revenue and Expenditure of the year 1883-84.

No increase of
taxation necessary.

217. We are, however, fortunately under no such necessity. Not only are we able to balance our Revenue and Expenditure, but we are able, without any increase of taxation, and without in any way starving the public services, or checking the progress of Public Works of utility, to provide an adequate surplus in order to meet any of the numerous unforeseen contingencies which so frequently arise in India.

Budget Estimates,
1883-84.

218. The Budget Estimates for the year 1883-84 are as follows—

Revenue	-	-	-	-	-	-	-	-	£.	67,274,000
Expenditure	-	-	-	-	-	-	-	-		66,817,000
Surplus	-	-	-	-	-	-	-	£.		457,000

219. This

219. This satisfactory result is due (1) to the fact that the Indian Revenue is more elastic than is very generally supposed; (2) to the fact, to which I have already alluded (para. 145), viz., that, in view of the large fiscal reforms undertaken last year, it was thought desirable to frame the Estimate of every item of Revenue and Expenditure with even more than usual caution; and (3) to the fact that, in carrying out those reforms, we were aware that the heavy charge for *Frontier Railways*, for which provision was made in 1882-83, would be greatly diminished in 1883-84 (*see* para. 249 of the Financial Statement for 1882-83). Allowing for an additional grant of 60,000 *l.* made during the year, the estimated Expenditure on these Railways is 282,000 *l.* in 1882-83. In 1883-84 it will only be 68,000 *l.*

Reasons of Surplus.

220. On the other hand, the high Expenditure under *Exchange* and the diminution of the Opium Revenue have rendered it necessary to postpone the execution of those further fiscal reforms which, under more favourable conditions in respect to these two important points, might otherwise have been feasible. We have not thought it desirable to adhere, on grounds of financial necessity, to the high rates hitherto charged on the Rajputana-Malwa Railway for the conveyance of food-grains. We are fortunately in a position to give effect to a very salutary measure of reform in reducing those rates. But the consideration of any further measures of fiscal reform must be postponed. Last year a favourable opportunity presented itself for the execution of some very large and beneficial improvements in the fiscal system. This year the state of the case is different. The financial position is perfectly sound, but the situation is one in which great caution is required. We have to look not only to the circumstances of the immediate moment, but also to the contingencies which may arise in future years.

Postponement of further fiscal reforms.

221. Against one, and perhaps the most serious, of these contingencies, I mean famine, we are insured to the extent of 1,500,000 *l.* a year.

Famine.

222. As regards the possibility of any further fall in the value of silver, all that can be said is that financial equilibrium has been more than secured on the basis of an estimated value to the rupee (1 *s.* 7½ *d.*), which cannot be considered as erring on the side of optimism.

Exchange.

223. Opium constitutes the chief danger of the immediate future. I have for a long time past been inclined to take a somewhat desponding view of the future of the Opium Revenue, and recent events have confirmed the views which I had heretofore held. Considering (1) that the crop is singularly precarious, (2) that the indigenous drug of China is daily becoming a more serious competitor to Indian Opium, and (3) that the Indian Revenue depends in no slight degree on the domestic legislation of a foreign country (China), it can scarcely, in my opinion, be doubted that the yearly Revenue which India derives from Opium will, in all probability, show a tendency to fall off in the future. For reasons which I have already stated (paras. 203-204), it is almost certain that, although the Opium Estimate of 1883-84 has been taken at 215,000 *l.* below the Budget, and at 182,000 *l.* below the Revised Estimate, for 1882-83, the Estimate for 1884-85 will have to be taken at a still lower figure.

Opium.

224. I will not venture to predict what may be the financial situation at the commencement of the year 1884-85. All that can now be said on this subject is that we commence the year 1883-84 with a surplus of 457,000 *l.* in hand; that the Estimates for 1883-84 have been very cautiously framed; that the material prosperity of the country is increasing, and, unless famine should intervene, will continue to increase, with the result that the Revenue from *Excise, Salt, Stamps, Railways, &c.*, is steadily growing; and, lastly, that by the reduction of the Salt Duty, the financial position has been much strengthened, and a fiscal reserve constituted which, should the occasion unfortunately arise, can be used in case of necessity. So long as the value of the rupee and the Opium Revenue continue liable to such fluctuations as those which we have recently witnessed, the financial situation of India must always contain some special elements of instability; but I see no reasons for taking any desponding view of that situation at present. On the contrary, there is every reason to believe that the country will be well able to cope with whatever financial difficulties the future may have in store.

Financial situation, 1884-85.

IX.—THE LICENSE TAX.

THE LICENSE TAX. 225. In making the Financial Statement last March, I summed up the attitude of the Government in respect to the License Tax in the following words (para. 251):—

“ We recognise the evils of the present tax. We recognise that in its present form it cannot be incorporated into the permanent fiscal system of the country. Beyond this we do not at present go. We reserve to ourselves complete liberty of action in the future, either to propose the abolition of the License Tax, to recast it, or even, should such a course appear desirable when the financial arrangements for the year 1883-84 come under consideration, to allow it to continue in existence in its present form for a while longer.”

Situation of the Government.

226. I quote these words now in order to show that the hands of the Government are perfectly free in dealing with this question. We have recognised that the tax is objectionable, and that it cannot in its present form be incorporated into the permanent fiscal system of the country. But beyond this we have given no pledges whatever, whether in respect to the nature of the changes which will eventually be made in the existing laws regulating this subject, or in respect to the time when they shall be made.

No present change.

227. In the Financial Statement last year (para. 245) I alluded to the defects in the existing system under which the License Tax is levied. I need not, therefore, repeat what I then said. I will only say that, after full consideration, the Government has decided not to propose any change in the existing system for the present.

228. Nothing can be more undesirable in India than to introduce frequent changes in the fiscal system. The evils arising from the present system under which the License Tax is levied are emphatically such as it would be preferable to endure, rather than to remedy, unless some remedy can be applied with a reasonable confidence that no further change will in the immediate future be necessary. There are, moreover, some special considerations which point to the desirability of making no changes in the fiscal system at present. The financial year which is about to close has presented features which are altogether abnormal, and, even if this had not been the case, the experience of a year is not sufficient to enable any very correct judgment to be formed as to the ultimate effect of the large fiscal reforms which were carried out in March 1882. The future of silver and of opium is also very uncertain. On every ground, therefore, the present moment is a time when great caution should be exercised. Under these circumstances the Government, after full consideration, is of opinion that the wisest course to adopt will be to make no changes in the existing fiscal system, but to allow more time to elapse with a view to watching the effect of those reforms which have been already effected.

Government reserves its freedom of action.

229. It will, of course, be clearly understood that, in dealing with the License Tax, the Government reserves to itself complete liberty of action in the future, and that I can give no definite pledge as to the course which will be eventually pursued.

X.—STOCK NOTES AND POST OFFICE SAVINGS BANKS.

STOCK NOTES AND POST OFFICE SAVINGS BANKS.

230. It will be remembered that about a year ago two schemes were introduced with a view to affording safe investments to the poorer classes. The first was the issue of Stock Notes. The second the establishment of Post Office Savings Banks.

Stock Notes.

231. Projects analogous to that of the Stock Note scheme had frequently been discussed in previous years, and various opinions, both official and unofficial, had been expressed on the subject. It was thought that the experiment was worth trying. In one district of the Central Provinces, in a portion of the North-West Provinces and Oudh, and in the whole of the Punjab, the right of selling Stock Notes was in the first instance temporarily reserved to monopolists. In the remaining provinces sales were effected only through the Civil Treasuries. More recently, in addition to the Civil Treasuries, the agency of

of the Post Office has been employed in the sale of the Notes. The result has been that Stock Notes to the value of 162,900*l.* have been sold during the year. It is no matter for surprise that sales to a larger amount should not have been effected. The idea was a novel one, and it was not to be expected that, in a country like India, it would readily take root. Although more than 20 years have elapsed since Currency Notes were introduced into India, a very large part of the population still fails to appreciate their utility. Moreover, although the original plan was very carefully elaborated, experience alone could show whether all the details of the scheme were suitable to the circumstances of the country. Shortly after the issue of the Notes many useful criticisms were made in connection with the scheme. It was, however, not thought desirable to effect any immediate changes in the plan which was originally adopted. A year has now nearly elapsed since the first issue of the Notes. The various suggestions and criticisms which have been made will, therefore, shortly be considered with a view to deciding whether any modifications in the details of the existing scheme are necessary or desirable.

232. Prolonged experience can alone show whether the scheme will ultimately take root in the country. In the meanwhile all that can be said is that it is worth while to continue the experiment.

233. Post Office Savings Banks were opened over a portion of India on 1st April 1882. Owing to the vested rights of the Bank of Bombay, it was not possible to introduce the scheme in the Bombay Presidency, and in the Madras Presidency it was only introduced in the rural districts, to the exclusion of the large towns. Nor was the scheme introduced in the Presidency town of Calcutta. Arrangements have now been made with the Bank of Bengal and with the Bank of Bombay, which will allow of the introduction of the scheme into Calcutta and into the Bombay Presidency. Post Office Savings Bank.

234. The results attained over the limited area in which Post Office Savings Banks have been opened are as follows. In the nine months ending 31st December 1882, 31,698 accounts were opened, of which 2,928 were by Europeans and Eurasians, and 28,770 by Natives of India. The balance in deposit on 31st December was 207,876*l.** It is worthy of observation that 91 per cent. of the depositors were Natives and only nine per cent. Europeans and Eurasians. In the case of District and Presidency Savings Banks the proportion, taking the figures of the year 1881-82, was 62 per cent. of Native, and 38 per cent. of European and Eurasian depositors.

235. It is satisfactory to note that the establishment of Post Office Savings Banks has not led to any diminution in the deposits heretofore made in the District and Presidency Banks. The net operations of those Banks during the nine months ending with 31st December 1882 show an increase of the Balance in deposit of 60,500*l.* over the balance on 1st April 1882.

236. If we add together the amount of Stock Notes issued during the first nine months of the current financial year and the amount deposited in the Savings Banks, we arrive at a total of 431,300*l.* From the point of view of comparison with some European countries, this amount is no doubt small in proportion to the population. But I do not think that any one acquainted with the condition of society in India would have expected more rapid progress.

	£.	
Stock Notes	162,900	
Post Office Savings Banks	207,900	
District and Presidency Saving Banks	60,500	
TOTAL	431,300	£,

XI.—WAYS AND MEANS.

237. In the Financial Statement of last year (para. 267) I stated that, if no loan for Productive Public Works were raised during the year, the balance on 31st March 1883 would probably be 10,848,000*l.* WAYS AND MEANS.

238. This

* On 3rd March 1883 the balance in deposit in the Post Office Savings Banks amounted to 248,000*l.* Information as regards the classification of depositors is not at present available for any date later than 31st December 1882.

Drawings of
1882-83.

238. This Estimate was based on the assumption that the Secretary of State would draw Bills to the extent of 15,342,000 *l.* (true sterling) on the Indian Treasury in the course of the year 1882-83.

239. I have already explained (para. 142), that, on the one hand, the Secretary of State's drawings were diminished by 1,300,000 *l.* (true sterling), owing to the large drawings in March 1882, and owing to the transactions connected with the Southern Mahratta Railway Company, and that, on the other hand, it is proposed to draw an additional 1,000,000 *l.* (true sterling), in order to reduce sterling debt in England. Thus the total amount of Secretary of State's drawings during the year 1882-83 will, it is estimated, be 15,042,000 *l.* (true sterling).

240. The balances have been increased during the year by the excess of Revenue over Expenditure beyond the amount for which credit was taken in the Budget, and also by a loan of 2,500,000 *l.* (nominal), which, as it was taken up at an average price of *Rs.* 98-14·7, yielded 2,472,979 *l.*

241. On the other hand, the balances have been diminished by the abnormal Expenditure on account of the Egyptian expedition amounting, in India, to 1,179,200 *l.*, and by the high Expenditure under *Exchange* due to the fall in the value of the rupee.

Balance on 31st
March 1883.

242. The net result of all these operations is that the balance on 31st March 1883 is now estimated at 13,840,000 *l.*

Ways and Means,
1883-84.

243. I now turn to the question of the Ways and Means for the year 1883-84

Publicity as
regards Loan
operations.

244. Complaints are occasionally made in India on the ground that the Government does not keep the public sufficiently informed in respect to its intentions in the matter of loan operations. I beg to assure those who are interested in this subject that the Government is fully alive to the desirability on every ground of announcing its intentions on this subject at as early a date as possible. We have no wish whatever to keep the public in suspense in this matter a day longer than is necessary. On the other hand, I must again draw attention to the remarks I made on the occasion of the last Financial Statement (para. 271). The operations of the Government of India are so large and varied, and so many unforeseen circumstances are liable to arise during the year, that to estimate in advance the cash requirements of the Government for twelve months must always be a matter of very great difficulty. Indeed I may go further and say that, even under normal circumstances, it is quite impossible for the best-informed person to say how far the Estimates of the Revenue and Expenditure of the year are likely to be realised until about the end of the month of September, by which time it may be said that the general result of the harvest, which depends mainly on the south-west monsoon, can be stated with some sort of accuracy. I conceive that nothing would be more calculated to exercise a disturbing influence on the market than that any premature announcement should be made of the intentions of the Government, and that subsequently there should be a change in those intentions. I may add that the uncertainty in connection with the probable cost of the Egyptian Expedition, which, of course, depended largely on the course of events in Egypt, rendered any early announcement of the final intentions of the Government last year especially difficult.

Statements
published in the
"Gazette."

245. In connection with this subject I should wish to draw attention to the Statements published in the "Gazette of India" about the 10th of each month, and which give, under a few main heads, the latest information in the possession of the Government as to the Revenue and Expenditure up to the last day of the month immediately preceding. An examination of those Statements will give an approximate idea of the extent to which, as the year goes on, the Estimates of Revenue and Expenditure are being realised. It is possible that the form in which these Statements are published might be improved. So far as I am aware they have not up to the present time attracted much attention, but, if the result of these remarks should be to attract greater attention to them in the future, and if it be found that, in its present form, the monthly Statement is not readily comprehensible, the possibility of improving the form will be considered.

246. It will be necessary to raise the usual loan for Productive Public Works in the course of the year. The present intention of the Government is to borrow 2,500,000 *l.* in India. The rate of interest will, as usual, be 4 per cent. Full particulars as regards the date on which tenders will be accepted, &c., &c. will be issued on or about 16th July. Loan in 1883-84

247. In dealing with the amount of the Secretary of State's drawings (para. 208), and with the loan operations which are contemplated during 1883-84 (para. 246), I speak subject to the usual reserve, that is to say, that the announcements I now make—

“are subject to modification as the year goes on; the Government must not be understood to pledge itself that the Secretary of State will raise by Bills the exact amount stated; or that the amount stated will be borrowed during the year; or that it will be borrowed in India or England, as the case may be.”

248. Whilst making this reserve, I may add that it is absolutely certain that the loan of 2,500,000 *l.*, to which I have already alluded, will be contracted. The only possible modification is that, in the event of any unforeseen contingency arising, such as war or famine, it might be necessary to borrow more. I have at present no reason whatever to believe that it will be necessary to borrow more than 2,500,000 *l.* But it must be clearly understood that the Government reserves complete liberty of action to itself in the event of any contingency arising which cannot now be foreseen.

249. The balance on 31st March 1884 is estimated at 11,697,000 *l.*, but this is a very low Estimate, and, unless anything unforeseen occurs, it will probably be exceeded. Balance on 31st
March 1884.

XII.—CONCLUSION.

250. It may be convenient that I should summarize the main features of the present Financial Statement. They are as follows:— SUMMARY OF
FINANCIAL
STATEMENT.

(1.) The forms in which the Accounts and Estimates are now presented to the public have been revised and simplified (paras. 7-66). Forms of Account.

(2.) The Accounts of 1881-82 show a surplus of 2,582,727 *l.* (paras. 67-71). Accounts of
1881-82.

(3.) The volume of the import trade in those articles relieved from duty in March 1882 has in the 10 months, from 1st April 1882 to 31st January 1883, increased by about 7½ per cent. (paras. 72-94). Trade of 1882-83.

(4.) There has been a general fall in the retail price of salt since the duty was reduced. The amount of the fall in the different provinces ranges generally from about 13 to 23 per cent. (paras. 95-100). Price of Salt.

(5.) The consumption of salt since the reduction of the duty has increased by about 6½ per cent., representing a revenue of about 320,000 *l.* (paras. 95-116). Consumption of
Salt.

(6.) The net cost of the Egyptian Expedition during the year 1882-83, after deducting the 500,000 *l.* (true sterling) contributed by the English Government, is estimated at 797,000 *l.* (para. 131). Egyptian
Expedition.

(7.) The net Opium Revenue of 1882-83 is now estimated at 7,217,000 *l.*, being 33,000 *l.* less than the Budget Estimate (para. 133). Opium, 1882-83.

(8.) The expenditure under *Exchange* during 1882-83 is now estimated at 341,000 *l.* in excess of the Budget Estimate (para. 142). Exchange,
1882-83.

(9.) A sum of 1,000,000 *l.* (true sterling) will be remitted home during the year 1882-83, and will be applied to the reduction of sterling debt in England (para. 139). Reduction of Debt.

(10.) The Revised Estimates for 1882-83 show a surplus of 60,000 *l.* (para. 144). Surplus, 1882-83.

(11.) With a view to stimulating the export trade, the through railway rates on wheat and other grains and seeds from Delhi and Agra to Bombay have been reduced by 18½ per cent., equivalent, so far as wheat is concerned, to a reduction of 1 *s.* 6 *d.* per quarter in the London market. This step Railway rates.

step will no doubt be followed by a corresponding reduction of rates on the East Indian Line (paras. 153-194).

License Tax.

(12.) No further fiscal changes are proposed in connection with the financial arrangements of the year 1883-84. The License Tax remains unchanged (paras. 225-229).

Opium, 1883-84.

(13.) The net Opium Revenue for 1883-84 has been taken at 7,035,000*l.*, being 215,000*l.* less than the Budget Estimate of 1882-83 (para. 205).

Bengal Opium.

(14.) The amount of Bengal Opium which will be offered for sale up to the end of March 1884 will be regulated by the terms of the Notification of 28th June 1882. The amount which will be offered for sale from April to December 1884, both months inclusive, will be notified about the beginning of July 1883 (paras. 206-207).

Exchange,
1883-84.

(15.) In the Estimates for 1883-84 the value of the rupee has been taken at 1*s.* 7½*d.*, and the Expenditure under *Exchange* at 773,000*l.* in excess of the Budget Estimate for 1882-83 (para. 208).

Surplus, 1883-84.

(16.) The Budget Estimates for 1883-84, which have been very cautiously framed, show a surplus of 457,000*l.* (para. 218).

Drawings,
1882-83.

(17.) The Secretary of State's drawings during 1882-83 are now estimated at 15,042,000*l.* (true sterling) (paras. 142 and 239), of which 14,184,000*l.* (true sterling) had been drawn up to 9th March 1883.

Drawings,
1883-84.

(18.) The Secretary of State's drawings during 1883-84 are estimated at 16,300,000*l.* (true sterling) (*see* para. 208).

Loan of 1883-84.

(19.) The usual loan for Productive Public Works will be contracted in India during the year 1883-84. The amount, unless any unforeseen contingency should arise, will be 2,500,000*l.* The rate of interest will be 4 per cent. Further particulars in connection with the loan will be issued on or about 16th July 1883 (paras. 246-248).

Cash Balance, 31st
March 1883.

(20.) The cash balance on 31st March 1883 is estimated at 13,840,000*l.* (para. 242).

Cash Balance,
31st March 1884.

(21.) The cash balance on 31st March 1884 is estimated at 11,697,000*l.* (para. 249), but this is a very moderate estimate, and it will probably be exceeded.

Opium prospects,
1884-85.

(22.) The accounts of the opium crop in Bengal and North-West Provinces are unsatisfactory, and it is probable that in 1884-85 the Opium Estimate will have to be taken at a lower figure than that shown in the Budget Estimates for 1883-84 (para. 223).

Calcutta, 15 March 1883.

E. Baring.

APPENDIX.

APPENDIX I.

ACCOUNTS AND ESTIMATES.

(New Classification.)

ACCOUNTS	-	-	-	-	-	1881-82.
REVISED ESTIMATES	-	-	-	-	-	1882-83.
BUDGET ESTIMATES	-	-	-	-	-	1883-84.

CONTENTS:

	PAGES
General Statement of Accounts and Estimates	48, 49
Abstract A.—Details of Revenue	50, 51
" B. " Expenditure	52-55
" C. " Details of Receipts and Disbursements other than Revenue and Expenditure	56-59
" D. " Provincial and Local Balances	58, 59
" E. " Statement of Net Revenue and Expenditure	60, 61

GENERAL STATEMENT OF ACCOUNTS AND ESTIMATES.

R E C E I P T S.	For Details, vide Abstract.	Accounts, 1881-82.	Budget Estimate, 1882-83.	Revised Estimate, 1882-83.	Budget Estimate, 1883-84.
		£.	£.	£.	£.
REVENUE:					
Principal Heads of Revenue:—					
Land Revenue - - - - -	-	21,948,022	21,487,000	21,700,400	21,792,700
Opium - - - - -	-	9,862,444	9,500,000	9,561,800	9,200,000
Salt - - - - -	-	7,375,620	6,049,000	6,128,700	6,167,000
Stamps - - - - -	-	3,381,372	3,342,000	3,411,600	3,427,200
Excise - - - - -	-	3,427,274	3,331,000	3,615,900	3,623,300
Other Heads - - - - -	A.	7,659,729	6,162,000	6,376,500	6,383,900
TOTAL PRINCIPAL HEADS - - -	"	53,654,461	49,871,000	50,794,900	50,594,100
Post Office, Telegraph, and Mint - - -	"	1,489,699	1,637,000	1,652,800	1,670,000
Receipts by Civil Departments - - -	"	1,513,083	1,374,000	1,434,200	1,402,300
Miscellaneous - - - - -	"	1,707,236	1,286,000	1,365,000	1,269,500
Revenue from Productive Public Works - -	"	10,782,063	10,423,000	10,369,500	10,607,600
Receipts on account of Public Works not classed as Productive.	"	727,799	619,000	771,500	864,700
Receipts by Military Departments - - -	"	3,821,475	868,000	1,526,000	865,800
TOTAL REVENUE - - -	-	73,695,806	66,078,000	67,913,900	67,274,000
DEBT, DEPOSITS, AND ADVANCES:—					
Permanent Debt (net incurred) - - - -	C.	-	-	2,468,600	2,060,000
Unfunded Debt (net incurred) - - - -	"	335,853	14,000	707,200	594,400
Deposits and Advances (net) - - - - -	"	-	-	262,500	-
Loans to Municipalities, Native States, &c. (net Recoveries).	"	195,183	85,000	105,200	54,800
Capital of Guaranteed and Subsidised Companies (net Receipts).	"	-	-	1,092,000	-
Remittances (net) - - - - -	"	877,478	-	308,400	-
Secretary of State's Bills drawn - - -	"	18,412,429	15,342,000	15,042,000	16,300,000
TOTAL RECEIPTS - - -	-	93,516,749	81,519,000	87,899,800	86,283,200
Balance on 1st April—England - - - -	-	4,127,749	3,051,349	2,620,909	3,037,109
India - - - - -	-	13,371,101	14,199,651	14,522,913	13,840,013
GRAND TOTAL - - -	-	111,015,599	98,770,000	105,043,622	103,160,322

GENERAL STATEMENT OF ACCOUNTS AND ESTIMATES.

Rs. 10 = £. 1.

DISBURSEMENTS.	For details, vide Abstract.	Accounts, 1881-82.	Budget Estimate, 1882-83.	Revised Estimate, 1882-83.	Budget Estimate, 1883-84.
EXPENDITURE :		£.	£.	£	£.
Interest - - - - -	B.	4,558,100	4,376,000	4,450,700	4,264,000
Direct demands on the Revenues - - -	"	8,220,111	9,003,079	8,735,500	8,634,300
Post Office, Telegraph, and Mint - - -	"	1,771,662	1,918,000	1,932,200	2,039,800
Salaries and Expenses of Civil Departments -	"	11,038,504	11,084,000	11,000,900	11,153,600
Miscellaneous Civil Charges - - - - -	"	4,044,532	3,761,021	3,905,100	3,968,100
Famine Relief and Insurance - - - - -	"	1,500,000	1,500,000	1,500,000	1,500,000
Expenditure on Productive Public Works (Re- venue Account).	"	9,649,005	10,027,000	9,916,900	10,088,400
Expenditure on Public Works not classed as Productive.	"	6,393,531	7,210,000	7,313,300	7,056,100
Army Services - - - - -	"	18,861,142	16,128,000	17,509,300	16,064,000
Exchange on Transactions with London - -	"	3,556,700	2,775,000	3,115,600	3,548,000
TOTAL - - -	-	69,593,287	67,783,000	69,379,500	68,316,300
<i>Add.</i> —Provincial Surpluses, that is, Allot- ments to Provincial Governments unspent by them.	End of B.	1,521,019	- - -	18,300	14,700
<i>Deduct.</i> —Provincial Deficits, that is, portion of Provincial Expenditure defrayed from Provincial Balances.	"	- 1,227	- 1,990,000	- 1,543,700	- 1,514,000
TOTAL EXPENDITURE charged } against REVENUE - - }	-	71,113,079	65,793,000	67,854,100	66,817,000
Expenditure on Productive Public Works (Capital Account).	End of B.	3,311,423	3,250,000	4,844,400	3,820,100
DEBT, DEPOSITS, AND ADVANCES :					
Permanent Debt (net Discharged) - - -	C.	466,895	688,000	-	-
Unfunded Debt (net Discharged) - - -	"	-	-	-	-
Deposits and Advances (net) - - - - -	"	140,969	150,000	- - -	585,200
Loans to Municipalities and Native States, &c. (net Advanced).	"	-	-	-	-
Capital of Guaranteed and Subsidized Companies (net Withdrawals).	"	502,414	542,000	- - -	1,236,760
Remittances (net) - - - - -	"	- - -	10,000	- - -	391,000
Secretary of State's Bills paid - - - - -	"	18,336,997	15,342,000	15,468,000	16,300,000
TOTAL DISBURSEMENTS - - -	-	93,871,777	85,775,000	88,166,500	89,150,000
Balance on 31st March—England - - -	-	2,620,909	2,146,649	3,037,109	2,313,609
India - - - - -	-	14,522,913	10,848,351	13,840,013	11,696,713
GRAND TOTAL - - -	-	111,015,599	98,770,000	105,043,622	103,160,322
Revenue - - - - -		73,605,806	66,078,000	67,913,900	67,274,000
Expenditure chargeable thereon - - - - -		71,113,079	65,793,000	67,854,100	66,817,000
Surplus + or Deficit - - - - -		+2,582,727	+285,000	+59,800	+457,000

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

ABSTRACT A.—DETAILS OF REVENUE.

The figures in thick type are those

	ACCOUNTS, 1881-82.			
	Imperial.		Provincial and Local.	TOTAL.
	England.	India.	India.	
PRINCIPAL HEADS OF REVENUE:	£.	£.	£.	£.
I.—Land Revenue	-	15,813,251	6,634,771	21,948,022
II.—Opium	-	9,862,444	-	9,862,444
III.—Salt	-	7,350,727	24,893	7,375,620
IV.—Stamps	-	576,252	2,805,120	3,381,372
V.—Excise	-	675,701	2,751,573	3,427,274
VI.—Provincial Rates	-	178,718	2,716,772	2,895,490
VII.—Customs	-	2,106,434	254,954	2,361,388
VIII.—Assessed Taxes	-	382,986	153,843	536,829
IX.—Forest	2,236	804,984	67,215	874,435
X.—Registration	-	853	283,861	284,714
XI.—Tributes from Native States	-	706,873	-	706,873
Total	2,236	37,959,223	15,693,002	53,654,461
POST OFFICE, TELEGRAPH, AND MINT:				
XII.—Post Office	-	945,326	4,581	949,907
XIII.—Telegraph	51,787	417,421	-	469,208
XIV.—Mint	28	70,556	-	70,584
Total	51,815	1,433,303	4,581	1,489,699
RECEIPTS BY CIVIL DEPARTMENTS:				
XV.—Law and Justice	-	85,638	591,816	677,454
XVI.—Police	-	5,699	242,300	248,005
XVII.—Marine	13	106,764	131,099	237,876
XVIII.—Education	-	1,086	188,206	189,292
XIX.—Medical	3,998	5	35,504	39,507
XX.—Scientific and other minor Departments	44,480	18,370	58,099	120,949
Total	48,491	217,562	1,247,030	1,513,083
MISCELLANEOUS:				
XXI.—Interest	56,470	803,237	32,197	896,904
XXII.—Receipts in aid of Superannuations, &c.	105,973	232,688	17,612	356,273
XXIII.—Stationery and Printing	12	11,733	46,066	57,811
XXIV.—Miscellaneous	15,471	73,795	306,972	396,238
Total	177,926	1,126,453	402,847	1,707,226
REVENUE FROM PRODUCTIVE PUBLIC WORKS:				
XXV.—State Railways (Gross Earnings)	-	1,981,836	574,706	2,556,542
XXVI.—Guaranteed Railways (net Traffic Receipts)	-	3,615,479	-	3,615,479
XXVII.—East Indian Railway (net Traffic Receipts)	230	3,261,627	-	(a) 3,261,857
XXVIII.—Irrigation and Navigation (direct Receipts)	171	321,743	543,885	865,799
XXIX.—Madras Irrigation and Canal Company (net Traffic Receipts).	-	-8,834	-	-8,834
XXX.—Portion of Land Revenue due to Irrigation	-	491,220	-	491,220
Total	401	9,663,071	1,118,591	10,782,063
RECEIPTS ON ACCOUNT OF PUBLIC WORKS NOT CLASSED AS PRODUCTIVE:				
XXXI.—State Railways	-	-	-	-
XXXII.—Subsidized Railways	2,290	-	-	2,290
XXXIII.—Irrigation and Navigation	-	29,216	102,023	131,239
XXXIV.—Military Works	-	48,474	1,824	50,298
XXXV.—Civil Buildings, Roads, and Services	13,636	23,281	507,055	543,972
Total	15,926	100,971	610,902	727,799
RECEIPTS BY MILITARY DEPARTMENTS:				
XXXVI.—Army	68,263	1,093,444	-	1,161,707
XXXVII.—Military operations in Afghanistan	(b) 2,305,000	354,768	-	2,659,768
XXXVII.—Military operations in Egypt	-	-	-	-
Total	2,373,263	1,448,212	-	3,821,475
	2,670,058	51,948,795		
TOTAL REVENUES - - - £.		54,618,853	19,076,953	73,695,806

(a) Includes 146 l. appertaining to the accounts of East Indian Railway as a guaranteed undertaking.

ABSTRACT A.—DETAILS OF REVENUE.

which appear in the General Statement.

Rs. 10 = £. 1.

REVISED ESTIMATE, 1882-83.				BUDGET ESTIMATE, 1883-84.			
Imperial.		Provincial and Local.	TOTAL.	Imperial.		Provincial and Local.	TOTAL.
England.	India.	India.		England.	India.	India.	
£.	£.	£.	£.	£.	£.	£.	£.
-	13,733,600	7,966,800	21,700,400	-	13,514,500	8,278,200	21,792,700
-	9,561,800	-	9,561,800	-	9,200,000	-	9,200,000
-	6,097,600	31,100	6,128,700	-	6,136,500	30,500	6,167,000
-	1,721,800	1,689,800	3,411,600	-	1,729,600	1,627,600	3,427,200
-	1,822,700	1,793,200	3,615,900	-	1,826,300	1,797,000	3,623,300
-	500	2,667,900	2,668,400	-	500	2,687,700	2,688,200
-	1,065,500	199,800	1,265,300	-	1,061,800	193,300	1,255,100
-	262,900	263,000	525,900	-	261,700	261,700	523,400
2,800	423,200	495,600	921,600	2,500	426,800	506,500	935,800
-	143,100	142,300	285,400	-	140,600	139,800	280,400
-	709,900	-	709,900	-	701,000	-	701,000
2,800	35,542,600	15,249,500	50,794,900	2,500	34,999,300	15,592,300	50,594,100
-	974,400	5,200	979,600	-	1,006,000	4,900	1,010,900
74,900	445,800	300	521,000	43,000	514,000	100	557,100
-	152,200	-	152,200	-	102,000	-	102,000
74,900	1,572,400	5,500	1,652,800	43,000	1,622,000	5,000	1,670,000
-	54,500	607,500	662,000	-	39,200	605,800	645,000
-	5,700	221,500	227,200	-	200	226,000	226,200
-	99,900	111,700	211,600	-	89,000	118,100	207,100
-	1,200	198,600	199,800	-	900	204,000	204,900
2,000	103	46,400	48,500	2,000	100	46,500	48,600
2,800	16,500	65,800	85,100	500	17,200	52,800	50,500
4,800	177,900	1,251,500	1,434,200	2,500	146,600	1,253,200	1,402,300
23,800	633,900	30,300	688,000	5,000	615,600	30,400	651,000
101,800	164,300	27,200	293,300	99,700	163,400	25,100	293,200
-	10,000	47,600	57,600	-	7,600	50,200	57,200
25,000	44,000	257,100	326,100	8,000	38,700	221,400	268,100
150,600	852,200	362,200	1,365,000	112,700	829,700	327,100	1,269,500
-	1,922,000	661,000	2,583,000	-	1,984,000	746,500	2,730,500
-	3,530,000	-	3,530,000	-	3,539,000	-	3,539,000
200	2,845,000	-	2,845,200	200	2,907,000	-	2,907,200
1,400	255,800	627,500	884,700	-	273,200	612,200	885,400
-	5,400	-	5,400	-	-	-	-
-	532,000	-	532,000	-	545,500	-	545,500
1,600	9,079,400	1,288,500	10,369,500	200	9,248,700	1,358,700	10,607,600
-	108,200	14,900	123,100	-	157,400	34,500	191,900
3,700	-	-	3,700	1,000	10,000	-	11,000
-	28,500	103,400	131,900	-	31,000	110,300	141,300
-	42,100	-	42,100	-	39,200	-	39,200
14,100	6,700	449,900	470,700	17,400	7,300	456,600	481,300
17,800	185,500	568,200	771,500	18,400	244,900	601,400	864,700
73,000	913,000	-	986,000	41,000	824,800	-	865,800
(c) 500,000	40,000	-	540,000	-	-	-	-
573,000	953,000	-	1,526,000	41,000	824,800	-	865,800
825,500	48,363,000	-	-	220,300	47,916,000	-	-
49,188,500	18,725,400	67,913,900	48,136,300	19,137,700	67,274,000		

(b) English Contribution for Afghan War.

(c) English Contribution for War in Egypt.

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

ABSTRACT B.—DETAILS of EXPENDITURE.

The figures in thick type are those

	ACCOUNTS, 1881-82.			
	Imperial.		Provincial and Local.	TOTAL.
	England.	India.	India.	
INTEREST :	£.	£.	£.	£.
1.—Interest on Ordinary Debt (excluding that charged to Productive Public Works).	2,512,420	1,504,836	6,860	4,024,116
2.—Interest on Deposits	706	528,865	4,413	533,984
Total	2,513,126	2,033,701	11,273	4,558,100
DIRECT DEMANDS ON THE REVENUES :				
3.—Refunds and Drawbacks	-	180,130	92,240	272,370
4.—Assignments and Compensations	-	492,266	702,174	1,194,440
Charges in respect of Collection, viz. :—				
5.—Land Revenue	541	808,761	2,194,490	3,003,792
6.—Opium (including cost of Production)	1,062	2,054,998	1,275	2,057,335
7.—Salt (including cost of Production)	-	423,653	62,556	486,209
8.—Stamps	32,862	—13,574	91,395	110,623
9.—Excise	3	16,835	78,048	96,886
10.—Provincial Rates	-	-	53,226	53,226
11.—Customs	17	22,667	172,426	195,110
12.—Assessed Taxes	-	580	12,494	13,074
13.—Forest	5,288	512,016	40,341	557,645
14.—Registration	-	393	179,008	179,401
Total	39,773	4,500,725	3,679,613	8,220,111
POST OFFICE, TELEGRAPH, AND MINT :				
15.—Post Office	96,812	955,649	95,474	1,147,935
16.—Telegraph	94,114	442,087	-	536,201
17.—Mint	19,017	68,485	24	87,526
Total	209,943	1,466,221	95,498	1,771,662
SALARIES AND EXPENSES OF CIVIL DEPARTMENTS :				
18.—General Administration	231,431	653,785	609,140	1,494,356
19.—Law and Justice	226	561,136	2,671,379	3,232,741
20.—Police	-	82,847	2,471,014	2,553,861
21.—Marine (including River Navigation)	197,814	272,982	152,602	623,398
22.—Education	329	9,123	1,069,038	1,078,490
23.—Ecclesiastical	442	119,996	41,698	162,136
24.—Medical	7,468	167,704	508,013	683,185
25.—Political	25,832	622,436	1,078	649,346
26.—Scientific and other Minor Departments	20,591	388,801	151,599	560,991
Total	484,133	2,878,810	7,675,561	11,038,504
MISCELLANEOUS CIVIL CHARGES :				
27.—Territorial and Political Pensions	31,265	651,063	-	682,328
28.—Civil Furlough and Absentee Allowances	217,747	9,925	970	222,642
29.—Superannuation Allowances and Pensions	1,367,140	643,631	171,556	2,182,327
30.—Stationery and Printing	118,694	134,667	312,323	565,884
31.—Miscellaneous	44,156	95,743	251,452	391,351
Total	1,779,002	1,529,229	736,301	4,044,532
FAMINE RELIEF AND INSURANCE :				
32.—Famine Relief	165	—12,078	46,762	34,849
33.—Protective Works, Railways	-	614,551	-	614,551
34.—Protective Works, Irrigation	-	135,449	-	135,449
35.—Reduction of Debt	-	715,151	-	715,151
Total	165	1,453,073	46,762	1,500,000
EXPENDITURE ON PRODUCTIVE PUBLIC WORKS (REVENUE ACCOUNT):				
36.—State Railways (Working and Maintenance)	-	1,342,770	343,622	1,686,392
37.—Guaranteed Railways (Interest and Profits)	3,264,813	413,941	-	3,678,754
38.—East Indian Railway (Interest and Profits)	1,239,446	199,257	-	1,438,703*
39.—Irrigation and Navigation (Working and Maintenance).	193	180,463	274,979	455,635
40.—Madras Irrigation and Canal Company (Interest, &c.)	49,983	513	-	50,496
41.—Interest on Debt incurred for Productive Public Works :				
Railways	352,852	1,020,842	220,993	1,594,687
Irrigation	-	274,406	451,980	726,386
Miscellaneous Public Improvements	-	17,952	-	17,952
Total	4,907,287	3,450,144	1,291,574	9,649,005
Carried forward - - - £.	9,933,429	17,311,903	13,536,582	40,781,914

* Includes 1,093 l. appertaining to the Accounts of the

ABSTRACT B.—DETAIL OF EXPENDITURE.

which appear in the General Account.

Rs. 10 = £. 1.

REVISED ESTIMATE, 1882-83.				BUDGET ESTIMATE, 1883-84.			
Imperial.		Provincial and Local.	TOTAL.	Imperial.		Provincial and Local.	TOTAL.
England.	India.	India.		England.	India.	India.	
£	£.	£.	£.	£.	£.	£.	£.
2,480,600	1,500,500	7,200	3,988,300	2,494,700	1,321,900	7,000	3,823,600
1,800	456,800	3,800	462,400	3,000	433,700	3,700	440,400
2,482,400	1,957,300	11,000	4,450,700	2,497,700	1,755,600	10,700	4,264,000
-	190,900	193,300	384,200	-	129,200	66,700	195,900
-	545,000	696,700	1,241,700	-	547,600	698,500	1,246,100
600	259,800	2,795,500	3,055,900	900	280,400	2,930,400	3,211,700
1,600	2,343,300	-	2,344,900	1,000	2,164,300	-	2,165,300
4,000	438,000	57,400	499,400	-	482,400	63,900	546,300
42,600	24,800	53,500	120,900	23,400	25,100	54,500	103,000
-	47,500	48,200	95,700	-	47,000	47,400	94,400
-	-	50,900	50,900	-	-	51,100	51,100
-	-	156,600	156,600	-	-	143,700	143,700
-	6,900	6,900	13,800	-	7,000	7,000	14,000
5,300	202,400	319,000	586,700	5,000	297,400	374,100	676,500
-	92,700	92,100	184,800	-	93,400	92,900	186,300
54,100	4,211,300	4,470,100	8,735,500	30,300	4,073,800	4,530,200	8,634,300
101,100	936,100	99,500	1,186,700	102,000	1,016,000	104,800	1,222,800
150,400	505,100	1,200	656,700	198,000	543,200	400	741,600
7,200	81,600	-	88,800	4,200	71,200	-	75,400
258,700	1,572,800	100,700	1,932,200	304,200	1,630,400	105,200	2,039,800
240,700	601,400	726,600	1,577,700	239,000	592,500	723,400	1,554,900
1,400	163,400	3,107,900	3,272,700	1,600	162,900	3,182,200	3,346,700
-	84,400	2,547,100	2,631,500	-	76,400	2,681,600	2,708,000
191,300	218,000	136,400	545,700	136,700	229,500	149,200	515,400
400	9,400	1,124,100	1,133,900	300	9,200	1,190,600	1,200,100
400	163,200	-	163,600	300	167,300	-	167,600
7,500	13,600	676,600	697,700	7,500	14,500	700,700	722,700
26,800	483,500	1,100	511,400	27,300	414,300	800	442,400
26,000	252,000	188,700	466,700	20,800	262,400	212,600	495,800
503,500	1,988,900	8,508,500	11,000,900	433,500	1,929,000	8,791,100	11,153,600
31,300	656,700	-	688,000	79,300	664,100	-	743,400
215,000	1,500	-	216,500	225,000	1,500	-	226,500
1,389,000	200,300	517,700	2,167,000	1,415,000	232,000	524,300	2,171,300
160,500	15,300	349,200	494,400	133,000	23,900	352,900	462,000
28,000	45,600	265,600	339,200	30,000	69,400	265,500	364,900
1,823,800	948,800	1,132,500	3,905,100	1,882,300	948,100	1,142,700	3,968,100
-	-	25,000	25,000	-	-	12,500	12,500
-	-127,100	-	-127,100	-	1,012,500	-	1,012,500
-	271,300	-	271,300	-	343,300	-	343,300
-	1,330,200	-	1,330,200	-	131,700	-	131,700
-	1,474,400	25,600	1,500,000	-	1,487,500	12,500	1,500,000
-	1,148,000	384,600	1,532,600	-	1,165,800	407,000	1,572,800
3,269,500	576,900	-	3,846,400	3,296,000	688,500	-	3,884,500
1,217,400	247,100	-	1,464,500	1,207,600	188,400	-	1,396,000
200	235,500	290,700	526,400	-	248,800	300,500	549,300
25,000	-	-	25,000	-	-	-	-
348,100	1,110,300	257,500	1,715,900	301,600	1,205,800	303,100	1,810,500
-	326,200	459,700	785,900	-	388,000	465,700	853,700
-	20,200	-	20,200	-	21,600	-	21,600
4,860,200	3,664,200	1,392,500	9,916,900	4,805,200	3,806,900	1,476,300	10,088,400
9,982,700	15,817,700	15,640,900	41,441,300	9,953,200	15,626,300	16,068,700	41,648,200

East Indian Railway as a Guaranteed undertaking.

ABSTRACT B.—DETAILS OF EXPENDITURE—*continued.*

	ACCOUNTS, 1881-82.			
	Imperial.		Provincial and Local.	TOTAL.
	England.	India.	India.	
	£.	£.	£.	£.
Brought forward - - -	9,933,429	17,311,903	13,536,582	40,781,914
EXPENDITURE ON PUBLIC WORKS NOT CLASSED AS PRODUCTIVE:				
42.—State Railways (Capital Account) - - - -	- - -	121,418	126,255	247,673
43.—State Railways (Working and Maintenance) - - -	- - -	- - -	- - -	- - -
44.—Subsidized Railways - - - -	4,301	13,226	- - -	17,527
Southern Mahratta Railway - - - -	- - -	- - -	- - -	- - -
45.—Frontier Railways - - - -	363,491	—138,809	- - -	224,682
46.—Irrigation and Navigation - - - -	22	425,884	364,027	789,933
47.—Military Works - - - -	- - -	1,020,035	50,511	1,070,546
48.—Civil Buildings, Roads, and Services - - - -	96,018	466,603	3,480,549	4,043,170
Total - - -	463,832	1,908,357	4,021,342	6,393,531
ARMY SERVICES:				
49.—Army - - - -	3,997,482	13,218,733	- - -	17,216,215
50.—Military Operations in Afghanistan - - - -	13,003	1,631,924	- - -	1,644,927
Military Operations in Egypt - - - -	- - -	- - -	- - -	- - -
Total - - -	4,010,485	14,850,657	- - -	18,861,142
51.—EXCHANGE ON TRANSACTIONS WITH LONDON - - - -	- - -	3,557,463	—763	3,556,700
TOTAL - - -	14,407,746	37,628,380	17,557,161	69,593,287
	52,036,126			
SURPLUSES - - - -	+2,582,727		+1,521,019	- - -
DEFICITS - - - -	- - -		—1,227	- - -
TOTAL, AS PER ABSTRACT A. - - -	54,618,853		19,076,953	- - -
EXPENDITURE ON PRODUCTIVE PUBLIC WORKS (CAPITAL ACCOUNT):				
52.—State Railways - - - -	439,325	1,195,826	- - -	1,635,151
53.—East Indian Railway - - - -	586,300	455,262	- - -	1,041,562
54.—Irrigation and Navigation - - - -	- - -	565,804	- - -	565,804
Madras Irrigation and Canal Company's Undertaking - - - -	- - -	- - -	- - -	- - -
55.—Miscellaneous Public Improvements - - - -	- - -	68,906	- - -	68,906
TOTAL - - -	1,025,625	2,285,798	- - -	3,311,423

Fort William ;
Department of Finance and Commerce,
15 March 1883.

E. W. Kellner,
Deputy Comptroller General.

ABSTRACT B.—DETAILS OF EXPENDITURE—continued.

Rs. 10 = £. 1.

REVISED ESTIMATE, 1882-83.				BUDGET ESTIMATE, 1883-84.			
Imperial.		Provincial and Local.	TOTAL.	Imperial.		Provincial and Local.	TOTAL.
England.	India.	India.		England.	India.	India.	
£.	£.	£.	£.	£.	£.	£.	£.
9,982,700	15,917,700	15,640,900	41,441,300	9,953,200	15,626,300	16,068,700	41,648,200
-	61,000	377,900	438,900	-	87,500	422,900	510,400
-	134,600	12,400	147,000	-	157,600	27,200	184,800
13,700	56,500	500	70,700	29,600	55,000	16,300	100,900
-	33,100	-	33,100	-	84,800	-	84,800
79,000	202,500	-	281,500	-	67,500	-	67,500
1,300	518,100	400,500	919,900	2,000	488,000	314,000	804,000
1,200	998,800	-	1,000,000	400	999,600	-	1,000,000
86,800	516,800	3,818,600	4,422,200	101,700	414,100	3,787,900	4,303,700
182,000	2,521,400	4,609,900	7,313,300	133,700	2,354,100	4,568,300	7,056,100
3,969,200	12,202,900	-	16,172,100	4,045,200	12,018,800	-	16,064,000
-	-	-	-	-	-	-	-
118,000	1,219,200	-	1,337,200	-	-	-	-
4,087,200	13,422,100	-	17,509,300	4,045,200	12,018,800	-	16,064,000
-	3,115,600	-	3,115,600	-	3,548,000	-	3,548,000
14,251,900	34,876,800	20,250,800	69,379,500	14,132,100	33,547,200	20,637,000	68,316,300
49,128,700	-	-	-	47,679,300	-	-	-
+ 59,800	-	+ 18,300	-	+ 457,000	-	+ 14,700	-
-	-	-1,543,700	-	-	-	-1,514,000	-
49,188,500	-	18,725,400	-	48,136,300	-	19,137,700	-
372,000	1,302,400	-	1,674,400	812,000	1,583,000	-	2,395,000
450,000	263,200	-	713,200	-	424,000	-	424,000
-	649,100	-	649,100	22,600	955,500	-	978,100
1,763,500	-	-	1,763,500	-	-	-	-
-	44,200	-	44,200	-	23,000	-	23,000
2,585,500	2,258,900	-	4,844,400	834,600	2,985,500	-	3,820,100

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

ABSTRACT C.—DETAILS OF RECEIPTS AND DISBURSEMENTS

The figures in thick type are those

	ACCOUNTS, 1881-82.			REVISED ESTIMATE, 1882-83.			BUDGET ESTIMATE, 1883-84.		
	England.	India.	TOTAL.	England.	India.	TOTAL.	England.	India.	TOTAL.
Revenue (from Abstract A.)	£. 2,670,058	£. 71,025,748	£. 73,695,806	£. 825,500	£. 67,088,400	£. 67,913,900	£. 220,300	£. 67,053,700	£. 67,274,000
PERMANENT DEBT INCURRED:									
India 3½ per Cent. Stock	1,204,547	-	-	450,000	-	-	-	-	-
4 per Cent. Rupee Loan	-	3,000,000	-	-	2,500,000	-	-	2,500,000	-
India 4 per Cent. Debentures	-	-	-	2,000,000	-	-	-	-	-
Stock Notes	-	-	-	-	180,000	-	-	100,000	-
Miscellaneous	1,100	173	-	-	-	-	-	-	-
Total	£. 1,205,647	3,000,173	4,205,820	2,450,000	2,680,000	5,130,000	-	2,600,000	2,600,000
Net	£. -	-	0	-	-	2,463,600	-	-	2,060,000
UNFUNDED DEBT:									
Temporary Loans	1,250,000	-	-	4,250,000	-	-	-	-	-
Special Loans	-	259	-	-	5,300	-	-	-	-
Treasury Notes	-	360,369	-	-	325,900	-	-	337,000	-
Deposits of Service Funds	4,035	701,499	-	4,000	814,100	-	4,100	694,900	-
Savings Banks Deposits	-	1,661,191	-	-	1,791,800	-	-	1,766,100	-
Total	£. 1,254,035	2,723,318	3,977,353	4,254,000	2,937,100	7,191,100	4,100	2,798,000	2,802,100
Net	£. -	-	335,853	-	-	707,200	-	-	594,400
DEPOSITS AND ADVANCES NOT BEARING INTEREST:									
Unspent Balances of Provincial Allotments.	-	1,521,019	-	-	18,300	-	-	14,700	-
Appropriation for Reduction of Debt.	-	715,151	-	-	1,330,200	-	-	131,700	-
Excluded Local Funds	-	699,520	-	-	682,300	-	-	591,100	-
Political Funds	-	9,259	-	-	7,000	-	-	6,600	-
Railway Funds	-	21,566	-	-	21,400	-	-	21,600	-
Military Prize Funds	-	15	-	-	-	-	-	-	-
Departmental and Judicial Deposits.	8,993	12,873,448	-	500,900	11,917,100	-	500,000	11,549,300	-
Advances	13,505	4,552,395	-	4,000	7,724,500	-	3,000	6,138,500	-
Suspense Accounts	-	12,152	-	-	140,500	-	-	60,500	-
Miscellaneous	-	306,517	-	-	24,200	-	-	24,200	-
Total	£. 22,498	20,711,042	20,733,540	504,900	21,815,500	22,320,400	503,000	18,538,200	19,041,200
Net	£. -	-	0	-	-	262,500	-	-	0
Loans to Municipalities, Native States, &c.	-	392,345	392,345	-	231,700	291,700	-	195,500	195,500
Net	£. -	-	195,183	-	-	105,200	-	-	54,800
Capital of Guaranteed and Subsidized Companies.	596,916	1,452,956	2,049,872	3,184,200	1,742,900	4,927,100	980,600	1,678,600	2,658,600
Net	£. -	-	0	-	-	1,092,000	-	-	0
Carried over	£. 5,749,154	99,205,582	-	11,218,600	96,495,600	-	1,707,400	92,864,000	-

OTHER THAN REVENUE AND EXPENDITURE.

which appear in the General Account.

Rs. 10=£. 1.

	ACCOUNTS, 1881-82.			REVISED ESTIMATE, 1882-83.			BUDGET ESTIMATE, 1883-84.		
	England.	India.	TOTAL.	England.	India.	TOTAL.	England.	India.	TOTAL.
Expenditure (from Abstract B.)	£. 14,407,746	£. 55,185,541	£. 69,593,287	£. 14,251,900	£. 55,127,600	£. 69,379,500	£. 14,132,100	£. 54,184,200	£. 68,316,300
Add—Provincial Surpluses transferred to "Deposits."*	-	+1,521,019	+1,521,019	-	+18,300	+18,300	-	+14,700	+14,700
Deduct—Provincial Deficits charged against "Deposits."*	-	-1,227	-1,227	-	-1,543,700	-1,543,700	-	-1,514,000	-1,514,000
Productive Public Works Capital Expenditure.	1,025,625	2,285,798	3,311,423	2,585,500	2,258,900	4,844,400	834,600	2,985,500	3,820,100
PERMANENT DEBT DISCHARGED:									
East India Bonds	4,425,000	-	-	62,200	-	-	-	-	-
India 5 per Cent. Stock	42,328	-	-	11,200	-	-	10,000	-	-
5½ per Cent. Loans	-	24,030	-	-	-	-	-	-	-
5 per Cent. Loans	-	2,190	-	-	-	-	-	-	-
5 per Cent. Debentures	-	-	-	-	602,500	-	-	-	-
4 per Cent. Loans	-	174,085	-	-	34,700	-	-	-	-
Debentures, &c., East India Railway.	-	-	-	1,950,000	-	-	-	-	-
Miscellaneous	-	5,082	-	-	800	-	500,000	30,000	-
Total - - - £.	4,467,328	205,387	4,672,715	2,023,400	638,000	2,661,400	510,000	30,000	540,000
Net - - - £.	-	-	466,895	-	-	0	-	-	0
UNFUNDED DEBT:									
Temporary Loans	1,250,000	-	-	4,250,000	-	-	-	-	-
Special Loans	-	-	-	-	5,000	-	-	-	-
Treasury Notes	-	136,734	-	-	147,500	-	-	147,500	-
Deposits of Service Funds	558	692,005	-	600	699,600	-	700	644,200	-
Savings Banks Deposits	-	1,562,203	-	-	1,381,200	-	-	1,415,300	-
Total - - - £.	1,250,558	2,390,942	3,641,500	4,250,600	2,233,300	6,483,900	700	2,207,000	2,207,700
Net - - - £.	-	-	0	-	-	0	-	-	0
DEPOSITS AND ADVANCES NOT BEARING INTEREST:									
Unspent Balances of Provincial Allotments.	-	1,227	-	-	1,543,700	-	-	1,514,000	-
Appropriation for the Reduction of Debt.	-	(a)	-	-	(b)227,000	-	-	-	-
Excluded Local Funds	-	670,045	-	-	650,500	-	-	588,500	-
Political Funds	-	21,599	-	-	21,500	-	-	21,500	-
Railway Funds	-	12,534	-	-	16,300	-	-	10,800	-
Military Prize Funds	-	571	-	-	100	-	-	-	-
Departmental and Judicial Deposits.	1,814,263	13,050,822	-	900	11,816,000	-	-	11,354,400	-
Advances	6,309	4,606,764	-	4,000	7,612,200	-	3,000	6,070,200	-
Suspense Accounts	-	36,830	-	-	35,300	-	-	30,000	-
Miscellaneous	-	653,545	-	-	130,400	-	-	34,000	-
Total - - - £.	1,820,572	19,053,937	20,874,509	4,900	22,053,000	22,057,900	3,000	19,623,400	19,626,400
Net - - - £.	-	-	140,969	-	-	0	-	-	585,200
Loans to Municipalities, Native States, &c.	-	197,162	197,162	-	126,500	126,500	-	140,700	140,700
Net - - - - £.	-	-	0	-	-	0	-	-	0
Capital of Guaranteed and Subsidized Companies.	1,449,445	1,102,841	2,552,286	1,641,200	2,193,900	3,835,100	1,812,000	2,083,300	3,895,300
Net - - - - £.	-	-	502,414	-	-	0	-	-	1,236,700
Carried over - - - £.	24,421,274	81,941,400	-	24,757,500	83,105,800	-	17,292,400	79,754,800	-

* See first entry under "Deposits" below.

(a) The charge against this head appears under "Permanent Debt."

(b) A further charge of 1,000,000 l. against this account is included under Secretary of State's Bills paid.

FINANCIAL STATEMENT OF THE

ABSTRACT C.—DETAILS OF RECEIPTS AND DISBURSEMENTS

	ACCOUNTS, 1881-82.			REVISED ESTIMATE, 1882-83.			BUDGET ESTIMATE, 1883-84.		
	England.	India.	TOTAL.	England.	India.	TOTAL.	England.	India.	TOTAL.
	£.	£.	£.	£.	£.	£.	£.	£.	£.
Brought forward - - -	5,749,154	99,305,582	- - -	11,218,600	96,495,600	- - -	1,707,400	92,864,000	- - -
Remittances:									
Money Orders - - -	- - -	5,733,515	- - -	- - -	6,532,800	- - -	- - -	6,964,600	- - -
Other Local Remittances (net) -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Other Departmental Accounts -	- - -	721,574	- - -	- - -	776,100	- - -	- - -	139,800	- - -
Net Receipts by Civil Treasuries from—									
Post Office - - -	- - -	— 29,484	- - -	- - -	327,000	- - -	- - -	247,600	- - -
Telegraph - - -	- - -	— 66,420	- - -	- - -	— 118,800	- - -	- - -	— 92,700	- - -
Guaranteed Railways - - -	- - -	- - -	- - -	- - -	3,591,600	- - -	- - -	3,152,400	- - -
Net Receipts from Civil Treasuries by—									
Marine - - -	- - -	229,784	- - -	- - -	909,200	- - -	- - -	196,700	- - -
Military - - -	- - -	12,499,034	- - -	- - -	41,447,200	- - -	- - -	10,993,000	- - -
Public Works - - -	- - -	3,818,090	- - -	- - -	4,193,700	- - -	- - -	5,117,309	- - -
Remittance Account between England and India.	323,759	1,551,109	- - -	387,300	1,330,300	- - -	322,500	1,440,800	- - -
Total - - -	323,759	24,457,202	24,780,961	387,300	28,989,100	29,376,400	322,500	28,159,500	28,482,000
Net - - -	- - -	- - -	877,478	- - -	- - -	308,400	- - -	- - -	0
Secretary of State's Bills drawn -	18,412,429	- - -	18,412,429	15,042,000	- - -	15,042,000	16,300,000	- - -	16,300,000
Total Receipts - - -	24,485,342	123,762,784	- - -	26,647,900	125,484,700	- - -	18,329,900	121,023,500	- - -
Opening Balance - - -	4,127,749	13,371,101	- - -	2,620,909	14,522,913	- - -	3,037,109	13,840,013	- - -
GRAND TOTAL - - - £.	28,613,091	137,133,885	- - -	29,268,809	140,007,613	- - -	21,367,009	134,863,513	- - -

Fort William, Department of Finance and Commerce,
15 March 1883.

E. W. Kellner,
Deputy Comptroller General.

ABSTRACT D.—ACCOUNT OF PROVINCIAL and LOCAL SAVINGS charged to REVENUE, and

PROVINCIAL AND

Note.—These Balances do not include the Balances

	India.	Central Provinces.	Burmah.	Assam.
	£.	£.	£.	£.
ACCOUNTS, 1881-82.				
Balance at end of 1880-81 - - -	6,416	112,191	386,128	59,868
Added in 1881-82 - - -	- - -	88,021	55,357	43,973
Spent in 1881-82 - - -	1,227	- - -	- - -	- - -
Balance at end of 1881-82 - - - £.	5,189	200,212	441,485	103,841
REVISED ESTIMATE, 1882-83.				
Balance at end of 1881-82 (by Accounts)	5,189	200,212	441,485	103,841
Added in 1882-83 - - -	- - -	18,300	- - -	- - -
Spent in 1882-83 - - -	2,200	- - -	138,500	11,300
Balance at end of 1882-83 - - - £.	2,989	218,512	302,985	92,541
BUDGET ESTIMATE, 1883-84.				
Balance at end of 1882-83 (by Revised Estimate).	2,989	218,512	302,985	92,541
Added in 1883-84 - - -	- - -	14,700	- - -	- - -
Spent in 1883-84 - - -	2,200	- - -	286,200	42,000
Balance at end of 1883-84 - - - £.	789	233,212	16,785	50,541

Fort William, Department of Finance and Commerce,
15 March 1883.

E. W. Kellner,
Deputy Comptroller General.

OTHER THAN REVENUE AND EXPENDITURE—continued.

	ACCOUNTS, 1881-82.			REVISED ESTIMATE, 1882-83.			BUDGET ESTIMATE, 1883-84.		
	England.	India.	TOTAL.	England.	India.	TOTAL.	England.	India.	TOTAL.
	£.	£.	£.	£.	£.	£.	£.	£.	£.
Brought forward	24,421,274	81,941,400	-	24,757,500	83,105,800	-	17,292,400	79,754,800	-
Remittances:									
Money Orders	-	5,714,140	-	-	6,532,500	-	-	6,947,100	-
Other Local Remittances	-	129,469	-	-	35,000	-	-	59,500	-
Other Departmental Accounts	-	618,495	-	-	760,000	-	-	143,300	-
Net Payments into Civil Treasuries by—									
Post Office	-	35,052	-	-	327,000	-	-	247,600	-
Telegraph	-	62,940	-	-	118,800	-	-	92,700	-
Guaranteed Railways	-	-	-	-	3,975,800	-	-	3,152,400	-
Net Issues from Civil Treasuries to—									
Marine	-	190,183	-	-	909,200	-	-	196,700	-
Military	-	12,296,964	-	-	11,447,200	-	-	10,993,000	-
Public Works	-	3,048,543	-	-	3,893,700	-	-	5,117,300	-
Remittance Account between England and India.	1,570,908	332,669	-	1,474,200	411,800	-	1,761,000	347,800	-
Total	1,570,908	22,332,575	23,903,483	1,474,200	27,593,800	29,068,000	1,761,000	27,112,000	28,873,000
Net	-	-	0	-	-	0	-	-	391,000
Secretary of State's Bills paid	-	18,336,997	18,336,997	-	15,468,000	15,468,000	-	16,300,000	16,300,000
Total Disbursements	25,992,182	122,610,972	-	26,231,700	126,167,600	-	19,053,400	123,166,800	-
Closing Balance	2,620,909	14,522,913	-	3,037,109	13,840,013	-	2,313,609	11,696,713	-
GRAND TOTAL	£. 28,613,091	137,133,885	-	29,268,809	140,007,613	-	21,367,009	134,863,513	-

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

held at the Disposal of PROVINCIAL GOVERNMENTS under their Provincial Contracts.

LOCAL BALANCES.

of Deposits and Advances upon Local Fund Accounts.

Bengal.	North Western Provinces and Oudh.	Punjab.	Madras.	Bombay.	TOTAL.
£.	£.	£.	£.	£.	£.
696,799	925,153	246,897	571,863	292,749	3,298,064
221,262	433,595	162,980	75,837	439,994	1,521,019
-	-	-	-	-	1,227
918,061	1,358,748	409,877	647,700	732,743	4,817,856
918,061	1,358,748	409,877	647,700	732,743	4,817,856
555,100	376,700	92,700	18,800	348,400	18,300
362,961	982,048	317,177	628,900	384,343	1,543,700
362,961	982,048	317,177	628,900	384,343	3,292,456
-	-	-	-	-	14,700
292,400	734,700	21,800	123,400	11,300	1,514,000
70,561	247,348	295,377	505,500	373,043	1,793,156

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

ABSTRACT E.—STATEMENT OF NET REVENUE AND EXPENDITURE

NET REVENUE.

	Accounts, 1881-82.					
	Gross Revenue.	Refunds and Drawbacks.	Total, after deducting Refunds and Drawbacks.	Charges in respect of Collection.	Net Revenue.	
	£.	£.	£.	£.	£.	
Land Revenue - - - - -	21,948,022	48,013	21,900,009	3,003,792	18,896,217	1
Opium - - - - -	9,862,444	1,889	9,860,555	2,057,335	7,803,220	2
Salt - - - - -	7,375,620	45,335	7,330,285	486,209	6,844,076	3
Stamps - - - - -	3,381,372	37,707	3,343,665	110,623	3,233,042	4
Excise - - - - -	3,427,274	19,610	3,407,664	96,886	3,310,778	5
Provincial Rates - - - - -	2,895,490	13,730	2,881,760	53,226	2,828,534	6
Customs - - - - -	2,361,388	73,222	2,288,166	195,110	2,093,056	7
Assessed Taxes - - - - -	536,829	28,878	507,951	13,074	494,877	8
Forest - - - - -	874,435	2,339	872,096	557,645	314,451	9
Registration - - - - -	284,714	1,647	283,067	179,401	103,666	10
Tributes from Native States - - - - -	706,873	-	706,873	-	706,873	11
	53,654,461	272,370	53,382,091	6,753,301	46,628,790	12
Deduct—Assignments and Compensations	-	-	-	-	1,194,440	13
					45,434,350	14
Productive Public Works - - - - -	-	-	10,782,063	9,649,005	1,133,058	15
TOTAL NET REVENUE - - - - - £.					46,567,408	16

NET EXPENDITURE.

	Accounts, 1881-82.			
	Gross Expenditure.	Receipts.	Net Expenditure.	
	£.	£.	£.	
Interest - - - - -	4,558,100	-	4,558,100	17
Post Office, Telegraph, and Mint - - - - -	1,771,662	1,489,699	281,963	18
Civil Departments - - - - -	11,038,504	1,513,083	9,525,421	19
Miscellaneous Civil Charges - - - - -	4,044,532	1,707,226	2,337,306	20
Famine Relief and Insurance - - - - -	1,500,000	-	1,500,000	21
Public Works not classed as Productive - - - - -	6,393,531	727,799	5,665,732	22
Army Services - - - - -	18,861,142	3,821,475	15,039,667	23
Exchange on Transactions with London - - - - -	3,556,700	-	3,556,700	24
	51,724,171	9,259,282	42,464,889	25
Provincial and Local Surpluses and Deficits - - - - -	Surpluses. 1,521,019	Deficits. 1,227	+ 1,519,792	26
TOTAL NET EXPENDITURE - - - - - £.			43,984,681	27
Surplus or Deficit - - - - -			+ 2,582,727	28
			£. 46,567,408	29

ABSTRACT E.—STATEMENT OF NET REVENUE AND EXPENDITURE.

NET REVENUE.

	REVISED ESTIMATE, 1882-83.					BUDGET ESTIMATE, 1883-84.				
	Gross Revenue.	Refunds and Drawbacks.	Total, after deducting Refunds and Drawbacks.	Charges in respect of Collection.	Net Revenue.	Gross Revenue.	Refunds and Drawbacks.	Total, after deducting Refunds and Drawbacks.	Charges in respect of Collection.	Net Revenue.
	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
1	21,700,400	173,700	21,526,700	3,055,900	18,470,800	21,792,700	50,100	21,742,600	3,211,700	18,530,900
2	9,561,800 ⁰	400	9,561,400	2,344,900	7,216,500	9,200,000	400	9,199,600	2,165,300	7,034,300
3	6,128,700	50,300	6,078,400	499,400	5,579,000	6,167,000	25,800	6,141,200	546,300	5,594,900
4	3,411,600	36,700	3,374,900	120,900	3,254,000	3,427,200	35,900	3,391,300	103,000	3,288,300
5	3,615,900	39,500	3,576,400	95,700	3,480,700	3,623,300	19,500	3,603,800	94,400	3,509,400
6	2,668,400	3,000	2,665,400	50,900	2,614,500	2,688,200	2,600	2,685,600	51,100	2,634,500
7	1,265,300	54,900	1,210,400	156,600	1,053,800	1,255,100	37,900	1,217,200	143,700	1,073,500
8	525,900	22,000	503,900	13,800	490,100	523,400	18,900	504,500	14,000	490,500
9	921,600	2,200	919,400	586,700	332,700	935,800	3,100	932,700	676,500	256,200
10	285,400	1,500	283,900	184,800	99,100	280,400	1,700	278,700	186,300	92,400
11	709,900	-	709,900	-	709,900	701,000	-	701,000	-	701,000
12	50,794,900	384,200	50,410,700	7,109,600	43,301,100	50,594,100	195,900	50,398,200	7,192,300	43,205,900
13	-	-	-	-	1,241,700	-	-	-	-	1,241,700
14	-	-	-	-	42,059,400	-	-	-	-	41,959,800
15	-	-	10,369,500	9,916,900	452,600	-	-	10,607,600	10,088,400	519,200
16	-	-	-	-	42,512,000	-	-	-	-	42,479,000

NET EXPENDITURE.

	REVISED ESTIMATE, 1882-83.			BUDGET ESTIMATE, 1883-84.		
	Gross Expenditure.	Receipts.	Net Expenditure.	Gross Expenditure.	Receipts.	Net Expenditure.
	£.	£.	£.	£.	£.	£.
17	4,450,700	-	4,450,700	4,264,000	-	4,264,000
18	1,932,200	1,652,800	279,400	2,039,800	1,670,000	369,800
19	11,000,900	1,434,200	9,566,700	11,153,600	1,402,300	9,751,300
20	3,905,100	1,365,000	2,540,100	3,968,100	1,269,500	2,698,600
21	1,500,000	-	1,500,000	1,500,000	-	1,500,000
22	7,313,300	771,500	6,541,800	7,056,100	864,700	6,191,400
23	17,509,300	1,526,000	15,983,300	16,064,000	865,800	15,198,200
24	3,115,600	-	3,115,600	3,548,000	-	3,548,000
25	50,727,100	6,749,500	43,977,600	49,593,600	6,072,300	43,521,300
26	Surpluses. 18,300	Deficits. 1,543,700	-1,525,400	Surpluses. 14,700	Deficits. 1,514,000	-1,499,300
27	-	-	42,452,200	-	-	42,022,000
28	-	-	+ 59,800	-	-	+ 457,000
29	-	-	42,512,000	-	-	42,479,000

J. Westland,
Comptroller General.

D. Barboor,
Secretary to the Government of India.

A P P E N D I X II.

ACCOUNTS AND ESTIMATES.
(Old Classification.)

ACCOUNTS - - - - -	1881-82.
REVISED ESTIMATES - - - - -	1882-83.
BUDGET ESTIMATES - - - - -	1883-84.

CONTENTS.

		PAGES.
Statement	I.—Revenue and Expenditure of the Government of India in India and in England - - - - -	64 and 65
"	II.—Revenue and Expenditure of the Government of India in India and in England (distinguishing Revenue and Charges of Productive Public Works)	66 and 67
"	III.—Revenue and Expenditure of the Government of India in India and in England in the three Divisions, Imperial, Provincial, and Local - - -	68 and 69
"	IV.—Receipts and Disbursements at the Treasuries of the Government of India in India and in England - - - - -	70 and 71
"	V.—Revenue and Expenditure of the Government of India in India - - -	72 and 73
"	VI.—Revenue and Expenditure of the Home Treasury of the Government of India	74 and 75
"	VII.—Receipts and Disbursements at the Treasuries of the Government of India in India - - - - -	76 and 77
"	VIII.—Receipts and Disbursements at the Home Treasury of the Government of India	78 and 79
"	IX.—Closing Balances of the Provincial Governments - - - - -	78 and 79
"	X.—Statement showing the Net Revenue and Expenditure of India - - -	80 and 81

The following refunds are in the above Revised Estimates for 1882-83 and Budget Estimates for 1883-84 charged, according to the old practice, against the general head "Refunds and Drawbacks." In the new classification, not being Revenue Refunds, they are charged against the specific heads concerned:—

Revised.—Law and Justice, 43,400 L.; Minor Departments, 100 L.; Police, 3,800 L.; Marine, 200 L.; Education, 300 L.; Medical, 1,300 L.; Superannuation, 400 L.; Stationery and Printing, 300 L.; Miscellaneous, 78,000 L. Total, 127,800 L.

Budget.—Law and Justice, 43,300 L.; Minor Departments, 200 L.; Police, 2,400 L.; Marine, 300 L.; Education, 800 L.; Medical, 1,400 L.; Superannuation, 100 L.; Stationery and Printing, 100 L.; Miscellaneous, 77,700 L. Total, 126,300 L.

In other respects the totals of the Major Heads in the old and new classifications agree.

I.—REVENUE AND EXPENDITURE of the

ESTIMATES, 1883-84.

REVENUE.	Accounts, 1881-82.	Budget Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
CIVIL:								
I.—Land Revenue - - -	22,439,242	22,172,000	22,232,400	60,400	-	22,338,200	105,800	-
II.—Tributes - - -	705,573	701,000	709,900	8,900	-	701,000	-	8,900
III.—Forest - - -	874,435	809,000	921,600	112,600	-	935,600	14,200	-
IV.—Excise - - -	3,427,274	3,331,000	3,615,900	284,900	-	3,623,300	7,400	-
V.—Assessed Taxes - -	536,829	538,000	525,900	-	12,100	523,400	-	2,500
VI.—Provincial Rates -	2,695,490	2,649,000	2,668,400	19,400	-	2,688,200	19,800	-
VII.—Customs - - -	2,361,388	1,131,000	1,265,300	84,300	-	1,255,100	-	10,200
VIII.—Salt - - -	7,375,620	6,049,000	6,128,700	79,700	-	6,167,000	38,300	-
IX.—Opium - - -	9,862,444	9,500,000	9,561,800	61,800	-	9,200,000	-	361,800
X.—Stamps - - -	3,381,372	3,342,000	3,411,600	69,600	-	3,427,200	15,600	-
XI.—Registration - - -	284,714	284,000	285,400	1,400	-	280,400	-	5,000
XII.—Mint - - -	70,584	145,000	152,200	7,200	-	102,000	-	50,200
XIII.—Post Office - - -	949,907	967,000	979,600	12,600	-	1,010,900	31,300	-
XIV.—Telegraph - - -	469,208	525,000	521,000	-	4,000	557,100	36,100	-
XV.—Minor Departments -	120,949	66,000	85,100	19,100	-	70,500	-	14,600
XVI.—Law and Justice -	677,454	659,000	662,000	3,000	-	645,000	-	17,000
XVII.—Police - - -	248,005	248,000	227,200	-	20,800	226,200	-	1,000
XVIII.—Marine - - -	237,876	183,000	211,600	28,600	-	207,100	-	4,500
XIX.—Education - - -	189,292	177,000	199,800	22,800	-	204,900	5,100	-
XX.—Medical - - -	39,507	41,000	48,500	7,500	-	48,600	100	-
XXI.—Stationery and Print- ing.	57,811	59,000	57,600	-	1,400	57,200	-	400
XXII.—Interest - - -	896,904	652,000	688,000	36,000	-	651,000	-	37,000
XXIII.—Superannuations -	356,273	307,000	293,300	-	13,700	293,200	-	100
XXIV.—Miscellaneous - -	396,238	268,000	326,100	58,100	-	268,100	-	58,000
XXV.—Railways - - -	9,436,168	8,910,000	9,085,000	175,000	-	9,379,600	294,600	-
XXVI.—Irrigation and Navi- gation.	988,204	962,000	1,011,200	49,200	-	1,026,700	15,500	-
XXVII.—Other Public Works -	594,270	485,000	512,800	27,800	-	520,500	7,700	-
XXVIII.—Army - - -	1,161,707	868,000	986,000	118,000	-	865,800	-	120,200
English Contribution for Afghan War.	2,305,000	-	* 500,000	500,000	-	-	-	500,000
Military Operations in Afghanistan.	354,768	-	-	-	-	-	-	-
Military Operations in Egypt.	-	-	40,000	40,000	-	-	-	40,000
XXIX.—Gain by Exchange -	297,799	381,000	336,200	-	44,700	377,200	40,900	-
GRAND TOTAL - - £.	73,993,605	66,459,000	68,250,200	1,791,200	-	67,651,200	-	599,000
DEFICIT - - -	-	-	-	-	-	-	-	-

* Egyptian War.

Fort William, Department of Finance and Commerce,
15 March 1883.E. W. Kellner,
Deputy Comptroller General.

GOVERNMENT OF INDIA in India and in England.

ESTIMATES, 1883-84.

EXPENDITURE.	Accounts, 1881-82.	Budget Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
CIVIL:	£.	£.	£.	£.	£.	£.	£.	£.
1.—Interest on Debt - - -	6,363,141	6,391,000	6,510,300	119,300	-	6,509,400	-	900
2.—Interest, on other Accounts - -	533,954	459,000	462,400	3,400	-	440,400	-	22,000
3.—Refunds and Drawbacks - - -	419,921	511,000	512,000	1,000	-	322,200	-	189,600
4.—Land Revenue - - - - -	3,001,792	3,168,000	3,055,960	-	112,100	3,211,700	155,800	-
5.—Forest - - - - -	557,615	581,000	586,700	5,700	-	676,500	89,800	-
6.—Excise - - - - -	96,886	99,000	95,700	-	3,300	94,400	-	1,300
7.—Assessed Taxes - - - - -	13,074	15,000	13,800	-	1,200	14,000	200	-
8.—Provincial Rates - - - - -	53,226	49,000	50,900	1,900	-	51,100	200	-
9.—Customs - - - - -	195,110	163,000	156,600	-	6,400	143,700	-	12,900
10.—Salt - - - - -	486,209	639,000	499,400	-	139,600	546,300	46,900	-
11.—Opium - - - - -	2,057,335	2,250,000	2,344,900	94,900	-	2,165,300	-	179,600
12.—Stamps - - - - -	110,623	119,000	120,900	1,900	-	103,000	-	17,900
13.—Registration - - - - -	179,401	186,000	184,500	-	1,200	186,300	1,500	-
14.—Mint - - - - -	87,526	108,000	88,800	-	19,200	75,400	-	13,400
15.—Post Office - - - - -	1,147,935	1,173,000	1,186,700	13,700	-	1,222,600	36,100	-
16.—Telegraph - - - - -	536,201	637,000	656,700	19,700	-	741,600	84,900	-
17.—Administration - - - - -	1,494,356	1,504,000	1,577,700	73,700	-	1,554,900	-	22,600
18.—Minor Departments - - - - -	560,991	442,000	466,600	24,600	-	495,600	29,000	-
19.—Law and Justice - - - - -	3,184,249	3,347,000	3,229,300	-	117,700	3,303,400	74,100	-
20.—Police - - - - -	2,553,861	2,635,000	2,627,700	-	7,300	2,705,600	77,900	-
21.—Marine - - - - -	623,398	621,000	545,500	-	75,500	515,100	-	30,400
22.—Education - - - - -	1,078,490	1,149,000	1,133,600	-	15,400	1,199,300	65,700	-
23.—Ecclesiastical - - - - -	162,136	163,000	163,600	600	-	167,600	4,000	-
24.—Medical - - - - -	683,185	703,000	696,400	-	6,600	721,300	24,900	-
25.—Stationery and Printing - - -	565,884	440,000	494,100	54,100	-	461,900	-	32,200
26.—Political - - - - -	619,346	520,000	511,400	-	8,600	442,400	-	69,000
27.—Allowances and Assignments - -	1,876,768	1,939,000	1,929,700	-	9,300	1,959,500	59,600	-
28.—Civil Furlough Allowances - -	222,642	234,000	216,500	-	17,500	226,500	10,000	-
29.—Superannuations - - - - -	2,182,327	2,101,000	2,166,600	65,600	-	2,171,200	4,600	-
30.—Miscellaneous - - - - -	292,292	271,000	261,200	-	9,800	267,200	26,000	-
31.—Famine Relief and Insurance:								
Relief - - - - -	34,849	-	25,600	25,600	-	12,500	-	13,100
Protective Works - - - - -	750,000	750,000	144,200	-	605,800	1,355,600	1,211,600	-
Reduction of Debt - - - - -	715,151	750,000	1,330,200	580,200	-	131,700	-	1,198,500
32.—Railways - - - - -	7,051,522	7,592,000	7,429,400	-	162,600	7,548,500	119,100	-
Subsidized Railways - - - - -	17,527	60,000	70,700	20,700	-	100,900	20,200	-
Frontier Railways - - - - -	224,682	223,000	281,500	58,500	-	67,500	-	214,000
South Mahratta - - - - -	-	-	33,100	33,100	-	84,800	51,700	-
33.—Irrigation and Navigation - -	1,296,064	1,527,000	1,471,300	-	55,700	1,353,300	-	115,000
34.—Other Public Works - - - - -	5,113,716	5,371,000	5,422,200	51,200	-	5,303,700	-	118,500
35.—Army - - - - -	17,216,215	16,128,000	16,172,100	44,100	-	16,064,000	-	108,100
Military Operations in Afghanistan - - - - -	1,544,927	-	-	-	-	-	-	-
Military Operations in Egypt -	-	-	1,337,200	1,337,200	-	-	-	1,337,200
36.—Loss by Exchange - - - - -	3,854,499	3,156,000	3,451,900	295,900	-	3,925,200	473,300	-
	69,891,086	68,164,000	69,715,600	1,551,800	-	68,693,500	-	1,022,300
Provincial and Local								
Surpluses - - - - -	+1,521,019	-	+18,300	18,300	-	+14,700	-	3,600
Deficits - - - - -	-1,227	-1,990,000	-1,543,700	446,300	-	-1,514,000	29,700	-
TOTAL - - - - - £.	71,410,878	66,174,000	68,190,400	2,016,400	-	67,194,200	-	996,200
SURPLUS - - - - -	2,582,727	285,000	59,800	-	225,200	457,000	397,200	-
37.—Productive Public Works:								
State Railways - - - - -	1,635,151	1,864,000	1,674,400	-	193,600	2,395,000	720,600	-
East Indian Railway - - - - -	1,041,562	485,000	713,200	228,200	-	424,000	-	289,200
Irrigation and Navigation - - -	565,804	897,000	2,412,600	1,515,600	-	978,100	-	1,434,500
Miscellaneous Public Im- provements - - - - -	68,906	-	44,200	44,200	-	23,000	-	21,200
TOTAL Productive Public Works, Capital - - - - -	3,311,423	3,250,000	4,844,400	1,594,400	-	3,820,100	-	1,024,300

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

II.—REVENUE AND EXPENDITURE of the GOVERNMENT of INDIA in India

ESTIMATES, 1883-84.

REVENUE.	Accounts, 1881-82.	Budget Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
CIVIL:	£.	£.	£.	£.	£.	£.	£.	£.
I.—Land Revenue - - -	21,948,022	21,487,000	21,700,400	213,400	-	21,792,700	92,300	-
II.—Tributes - - -	706,873	701,000	709,900	8,900	-	701,000	-	8,900
III.—Forest - - -	874,435	809,000	921,600	112,600	-	935,800	14,200	-
IV.—Excise - - -	3,427,274	3,331,000	3,615,900	284,900	-	3,623,300	7,400	-
V.—Assessed Taxes - - -	536,829	533,000	525,900	-	12,100	523,400	-	2,500
VI.—Provincial Rates - - -	2,895,490	2,649,000	2,668,400	19,400	-	2,688,200	19,800	-
VII.—Customs - - -	2,361,388	1,181,000	1,265,300	84,300	-	1,255,100	-	10,200
VIII.—Salt - - -	7,375,620	6,049,000	6,128,700	79,700	-	6,167,000	38,300	-
IX.—Opium - - -	9,862,444	9,500,000	9,561,800	61,800	-	9,200,000	-	361,800
X.—Stamps - - -	3,381,372	3,342,000	3,411,600	69,600	-	3,427,200	15,600	-
XI.—Registration - - -	284,714	284,000	285,400	1,400	-	280,400	-	5,000
XII.—Mint - - -	70,584	145,000	152,200	7,200	-	102,000	-	50,200
XIII.—Post Office - - -	949,907	967,000	979,600	12,600	-	1,010,900	31,300	-
XIV.—Telegraph - - -	469,208	525,000	521,000	-	4,000	557,100	36,100	-
XV.—Minor Departments - - -	120,949	66,000	85,100	19,100	-	70,500	-	14,600
XVI.—Law and Justice - - -	677,454	659,000	662,000	3,000	-	645,000	-	17,000
XVII.—Police - - -	248,005	248,000	227,200	-	20,800	226,200	-	1,000
XVIII.—Marine - - -	237,876	183,000	211,600	28,600	-	207,100	-	4,500
XIX.—Education - - -	189,292	177,000	199,800	22,800	-	204,900	5,100	-
XX.—Medical - - -	39,507	41,000	48,500	7,500	-	48,600	100	-
XXI.—Stationery and Print- ing. - - -	57,811	59,000	57,600	-	1,400	57,200	-	400
XXII.—Interest - - -	896,904	652,000	688,000	36,000	-	651,000	-	37,000
XXIII.—Superannuations - - -	356,273	307,000	293,300	-	13,700	293,200	-	100
XXIV.—Miscellaneous - - -	396,238	268,000	326,100	58,100	-	268,100	-	58,000
XXV.—Railways :								
Ordinary - - -	-	-	123,100	123,100	-	191,900	68,800	-
Subsidized - - -	2,290	1,000	3,700	2,700	-	11,000	7,300	-
XXVI.—Irrigation and Naviga- tion. - - -	131,239	133,000	131,900	-	1,100	141,300	9,400	-
XXVII.—Other Public Works - - -	594,270	485,000	512,800	27,800	-	520,500	7,700	-
XXVIII.—Army - - -	1,161,707	868,000	988,000	118,000	-	865,800	-	120,200
English Contribution for Afghan War. - - -	2,305,000	-	500,000*	500,000	-	-	-	500,000
Military Operations in Afghanistan. - - -	354,768	-	-	-	-	-	-	-
Military Operations in Egypt. - - -	-	-	40,000	40,000	-	-	-	40,000
XXIX.—Gain by Exchange - - -	297,799	381,000	336,300	-	44,700	377,200	40,900	-
TOTAL - - - £.	63,211,542	56,036,000	57,880,700	1,844,700	-	57,043,600	-	837,100
REVENUE FROM PRODUCTIVE PUBLIC WORKS :								
XXV.—Railways :								
State (Gross Earnings)	2,556,542	2,776,000	2,533,000	-	193,000	2,730,500	147,500	-
Guaranteed (Net Traffic Receipts). - - -	3,615,625	3,473,000	3,530,000	57,000	-	3,539,000	9,000	-
East Indian Railway - - -	3,261,711	2,660,000	2,845,200	185,200	-	2,907,200	62,000	-
XXVI.—Irrigation and Naviga- tion :								
Direct Receipts - - -	865,799	844,000	884,700	40,700	-	885,400	700	-
Madras Irrigation and Canal Company (Net Traffic Receipts, &c.) - - -	-8,834	-15,000	-5,400	9,600	-	-	5,400	-
I.—Portion of Land Revenue due to Irrigation. - - -	491,220	685,000	532,000	-	153,000	545,500	13,500	-
TOTAL - - - £.	10,782,063	10,423,000	10,369,500	-	53,500	10,607,600	238,100	-
GRAND TOTAL REVENUE - £.	73,993,605	66,459,000	68,250,200	1,791,200	-	67,651,200	-	599,000
DEFICIT - - - - -	-	-	-	-	-	-	-	-

and in *England* (distinguishing Revenue and Charges of Productive Public Works).

ESTIMATES, 1883-84.

EXPENDITURE.	Accounts,	Budget	Revised	Increase.	Decrease.	Budget	Budget Estimates,	
	1881-82.	Estimates,	Estimates,			Estimates,	1883-84,	compared with Revised
		1882-83.	1882-83.			1883-84.	Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
CIVIL:								
1.—Interest on Debt	4,024,116	3,917,000	3,988,300	71,300	-	3,823,600	-	164,700
2.—Interest, other Accounts	533,984	459,000	462,400	3,400	-	440,400	-	22,000
3.—Refunds and Drawbacks	419,921	511,000	512,000	1,000	-	322,200	-	189,800
4.—Land Revenue	3,003,792	3,168,000	3,055,900	-	112,100	3,211,700	155,800	-
5.—Forest	557,645	581,000	586,700	5,700	-	676,500	89,800	-
6.—Excise	96,886	99,000	95,700	-	3,300	94,400	-	1,300
7.—Assessed Taxes	13,074	15,000	13,800	-	1,200	14,000	200	-
8.—Provincial Rates	53,226	49,000	50,900	1,900	-	51,100	200	-
9.—Customs	195,110	163,000	156,600	-	6,400	143,700	-	12,900
10.—Salt	486,209	639,000	499,400	-	139,600	546,300	46,900	-
11.—Opium	2,057,335	2,250,000	2,344,900	94,900	-	2,165,300	-	179,600
12.—Stamps	110,623	119,000	120,900	1,900	-	103,000	-	17,900
13.—Registration	179,401	186,000	184,800	-	1,200	186,300	1,500	-
14.—Mint	87,526	108,000	88,800	-	19,200	75,400	-	13,400
15.—Post Office	1,147,935	1,173,000	1,186,700	13,700	-	1,222,800	36,100	-
16.—Telegraph	536,201	637,000	656,700	19,700	-	741,600	84,900	-
17.—Administration	1,494,356	1,504,000	1,577,700	73,700	-	1,554,900	-	22,800
18.—Minor Departments	560,991	442,000	466,600	24,600	-	495,600	29,000	-
19.—Law and Justice	3,184,249	3,347,000	3,229,300	-	117,700	3,303,400	74,100	-
20.—Police	2,553,861	2,635,000	2,627,700	-	7,300	2,705,600	77,900	-
21.—Marine	623,308	621,000	545,500	-	75,500	515,100	-	30,400
22.—Education	1,078,490	1,149,000	1,133,600	-	15,400	1,199,300	65,700	-
23.—Ecclesiastical	162,136	163,000	163,600	600	-	167,600	4,000	-
24.—Medical	683,185	703,000	696,400	-	6,600	721,300	24,900	-
25.—Stationery and Printing	565,884	440,000	494,100	54,100	-	461,900	-	32,200
26.—Political	649,346	520,000	511,400	-	8,600	442,400	-	69,000
27.—Allowances and Assignments	1,876,763	1,939,000	1,929,700	-	9,300	1,989,500	59,800	-
28.—Civil Furlough Allowances	222,642	234,000	216,500	-	17,500	226,500	10,000	-
29.—Superannuations	2,132,327	2,101,000	2,166,600	65,600	-	2,171,200	4,600	-
30.—Miscellaneous	292,292	271,000	261,200	-	9,800	237,200	26,000	-
31.—Famine Relief and Insurance:								
Relief	34,849	-	25,600	25,600	-	12,500	-	13,100
Protective Works	750,000	750,000	144,200	-	605,800	1,355,800	1,211,600	-
Reduction of Debt	715,151	750,000	1,330,200	580,200	-	131,700	-	1,198,500
32.—Railways—Ordinary	247,673	592,000	585,900	-	6,100	695,200	109,300	-
Subsidized Railways	17,527	50,000	70,700	20,700	-	100,900	30,200	-
Frontier Railways	224,682	223,000	281,500	58,500	-	67,500	-	214,000
South Mahratta	-	-	33,100	33,100	-	84,800	51,700	-
33.—Irrigation and Navigation	789,933	974,000	919,900	-	54,100	804,000	-	115,900
34.—Other Public Works	5,113,716	5,371,000	5,422,200	51,200	-	5,303,700	-	118,500
35.—Army	17,216,215	16,128,000	16,172,100	44,100	-	16,064,000	-	108,100
Military Operations in Afghanistan.	1,644,927	-	-	-	-	-	-	-
Military Operations in Egypt	-	-	1,337,200	1,337,200	-	-	-	1,337,200
36.—Loss by Exchange	3,854,499	3,156,000	3,451,900	295,900	-	3,925,200	473,300	-
	60,242,081	58,137,000	59,798,900	1,661,900	-	58,605,100	-	1,193,800
Provincial and Local	1,521,019	-	+18,300	18,300	-	+14,700	-	3,600
Surpluses and Deficits	-1,327	-1,990,000	-1,543,700	446,300	-	-1,514,000	29,700	-
EXPENDITURE, ORDINARY £.	61,761,873	56,147,000	58,273,500	2,126,500	-	57,105,800	-	1,167,700
EXPENDITURE ON PRODUCTIVE PUBLIC WORKS (Working Expenses and Interest):								
32.—Railways:								
State—(Working and Maintenance).	1,686,392	1,741,000	1,532,600	-	208,400	1,572,800	40,200	-
Guaranteed (Interest, Surplus Profits, &c.).	3,679,847	3,825,000	3,846,400	21,400	-	3,884,500	38,100	-
East Indian Railway	1,437,610	1,434,000	1,404,500	30,500	-	1,396,000	-	68,500
33.—Irrigation and Navigation:								
Working and Maintenance	455,635	503,000	526,400	23,400	-	549,300	22,900	-
Madras Irrigation and Canal Company (Interest, &c.)	50,496	50,000	25,000	-	25,000	-	-	25,000
1.—Interest on Debt	2,339,025	2,474,000	2,522,000	48,000	-	2,685,800	163,800	-
TOTAL - - - - £.	9,649,005	10,027,000	9,916,900	-	110,100	10,088,400	171,500	-
GRAND TOTAL - - - £.	71,410,878	66,174,000	68,190,400	2,016,400	-	67,194,200	-	906,200
SURPLUS - - - - £.	2,582,727	285,000	50,800	-	225,200	457,000	397,200	-
37.—Productive Public Works:								
Ditto State Railways	1,635,151	1,868,000	1,674,400	-	193,600	2,395,000	720,600	-
Ditto, East Indian Railway	1,041,562	485,000	713,200	228,200	-	424,000	-	289,200
Irrigation and Navigation	565,804	897,000	2,412,600	1,515,600	-	978,100	-	1,434,500
Miscellaneous Public Improvements.	68,906	-	44,200	44,200	-	23,000	-	21,200
TOTAL Productive Public Works, Capital - - -	3,311,423	3,250,000	4,844,400	1,594,400	-	3,820,100	-	1,024,300

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

III.—REVENUE and EXPENDITURE of the GOVERNMENT of INDIA in India

REVENUE	REVISED ESTIMATES, 1882-83.				BUDGET ESTIMATES, 1883-84.			
	Imperial.	Provincial.	Local.	TOTAL.	Imperial.	Provincial.	Local.	TOTAL.
	£.	£.	£.	£.	£.	£.	£.	£.
Opening Balances - - -	- -	3,742,100	1,109,500	- -	- -	2,464,400	881,800	-
I.—Land Revenue - - -	14,265,600	7,843,200	123,600	22,232,400	14,060,000	8,155,900	122,300	22,338,200
II.—Tributes - - -	709,900	- -	-	709,900	701,000	- -	-	701,000
III.—Forest - - -	426,000	495,600	-	921,600	429,300	506,500	-	935,800
IV.—Excise - - -	1,822,700	1,791,900	1,300	3,615,900	1,826,300	1,795,700	1,300	3,623,300
V.—Assessed Taxes - - -	262,900	263,000	-	525,900	261,700	261,700	-	523,400
VI.—Provincial Rates - - -	500	622,500	2,045,400	2,668,400	500	612,600	2,075,100	2,688,200
VII.—Customs - - -	1,065,500	199,800	-	1,265,300	1,061,800	193,300	-	1,255,100
VIII.—Salt - - -	6,097,600	31,100	-	6,128,700	6,136,500	30,500	-	6,167,000
IX.—Opium - - -	9,561,800	- -	-	9,561,800	9,200,000	- -	-	9,200,000
X.—Stamps - - -	1,721,800	1,689,800	-	3,411,600	1,729,600	1,697,600	-	3,427,200
XI.—Registration - - -	143,100	142,300	-	285,400	140,600	139,800	-	280,400
XII.—Mint - - -	152,200	- -	-	152,200	102,000	- -	-	102,000
XIII.—Post Office - - -	974,400	3,200	2,000	979,600	1,006,000	3,000	1,900	1,010,900
XIV.—Telegraph - - -	520,700	300	-	521,000	557,000	100	-	557,100
XV.—Minor Departments - - -	19,300	56,300	9,500	85,100	17,700	43,300	9,500	70,500
XVI.—Law and Justice - - -	54,500	607,200	300	662,000	39,200	605,400	400	645,000
XVII.—Police - - -	5,700	180,600	40,000	227,200	200	185,400	40,600	226,200
XVIII.—Marine - - -	99,900	111,700	-	211,600	89,000	118,100	-	207,100
XIX.—Education - - -	1,200	126,900	71,700	199,800	900	134,700	69,300	204,900
XX.—Medical - - -	2,100	30,800	15,600	48,500	2,100	30,700	15,800	48,600
XXI.—Stationery and Printing - - -	10,000	47,600	-	57,600	7,000	50,200	-	57,200
XXII.—Interest - - -	657,700	14,200	16,100	688,000	620,600	13,700	16,700	651,000
XXIII.—Pensions - - -	266,100	27,100	100	293,300	268,100	25,000	100	293,200
XXIV.—Miscellaneous - - -	69,000	158,800	93,300	321,100	46,700	132,000	89,400	268,100
XXV.—Railways - - -	8,409,100	675,900	-	9,085,000	8,508,600	781,000	-	9,379,600
XXVI.—Irrigation and Navigation. - - -	280,300	729,700	1,200	1,011,200	304,200	721,500	1,000	1,026,700
XXVII.—Other Public Works - - -	62,000	330,600	119,300	512,800	63,000	337,200	119,400	520,500
XXVIII.—Army - - -	986,000	- -	-	986,000	865,800	- -	-	865,800
" Military Operations in Egypt. - - -	40,000	- -	-	40,000	-	-	-	-
" English Contribution for War in Egypt. - - -	500,000	- -	-	500,000	-	-	-	-
XXIX.—Ga'n by Exchange - - -	336,300	- -	-	336,300	377,200	- -	-	377,200
TOTAL - - - £.	49,524,800	16,180,100	2,545,300	68,250,200	48,513,500	16,574,900	2,562,800	67,651,200
Debt - - -	- -	- -	127,700	- -	- -	- -	127,500	-
GRAND TOTAL - - - £.	- -	19,922,200	3,782,500	- -	- -	19,039,300	3,572,100	-

and in *England*, in the THREE DIVISIONS, IMPERIAL, PROVINCIAL, and LOCAL.

EXPENDITURE.	REVISED ESTIMATES, 1882-83.				BUDGET ESTIMATES, 1883-84.			
	Imperial.	Provincial.	Local.	TOTAL.	Imperial.	Provincial.	Local.	TOTAL.
	£.	£.	£.	£.	£.	£.	£.	£.
1.—Interest - - - -	5,785,900	724,400	-	6,510,300	5,733,600	775,800	-	6,509,400
2.—Interest, other Accounts -	458,600	-	3,800	462,400	436,700	-	3,700	440,400
3.—Refunds and Drawbacks -	197,600	287,900	26,500	512,000	162,800	148,700	10,700	322,200
4.—Land Revenue - - - -	260,400	2,462,300	333,200	3,055,900	281,300	2,591,900	339,100	3,211,700
5.—Forest - - - - -	267,700	319,000	-	586,700	302,400	374,100	-	676,500
6.—Excise - - - - -	47,500	47,400	800	95,700	47,000	46,600	800	94,400
7.—Assessed Taxes - - - -	6,900	6,900	-	13,800	7,000	7,000	-	14,000
8.—Provincial Rates - - - -	-	4,700	46,200	50,900	-	4,700	46,400	51,100
9.—Customs - - - - -	-	156,600	-	156,600	-	143,700	-	143,700
10.—Salt - - - - -	442,000	57,400	-	499,400	482,400	63,900	-	546,300
11.—Opium - - - - -	2,344,900	-	-	2,344,900	2,165,300	-	-	2,165,300
12.—Stamps - - - - -	67,400	53,500	-	120,900	48,500	54,500	-	103,000
13.—Registration - - - - -	92,700	92,100	-	184,800	93,400	92,900	-	186,300
14.—Mint - - - - -	88,800	-	-	88,800	75,400	-	-	75,400
15.—Post Office - - - - -	1,087,200	37,100	62,400	1,186,700	1,118,000	37,200	67,600	1,222,800
16.—Telegraph - - - - -	655,500	1,200	-	656,700	741,200	400	-	741,600
17.—Administration - - - -	851,100	702,000	24,600	1,577,700	831,500	697,700	25,700	1,554,900
18.—Minor Departments - - -	278,000	153,100	35,500	466,600	283,200	174,100	38,300	495,600
19.—Law and Justice - - - -	164,300	3,064,900	100	3,229,300	163,500	3,139,800	100	3,303,400
20.—Police - - - - -	84,400	2,273,100	270,200	2,627,700	76,400	2,342,400	286,800	2,705,600
21.—Marine - - - - -	408,300	136,200	-	544,500	366,200	148,900	-	515,100
22.—Education - - - - -	9,800	732,600	391,200	1,133,600	9,500	753,500	436,300	1,199,300
23.—Ecclesiastical - - - - -	163,600	-	-	163,600	167,600	-	-	167,600
24.—Medical - - - - -	21,100	530,800	144,500	696,400	22,000	541,700	157,600	721,300
25.—Stationery and Printing -	145,000	346,500	2,600	494,100	109,100	349,400	3,400	461,900
26.—Political - - - - -	510,300	700	400	511,400	441,600	700	100	442,400
27.—Allowances and Assignments	1,233,000	696,700	-	1,929,700	1,291,000	698,500	-	1,989,500
28.—Civil Furlough Allowances	216,500	-	-	216,500	226,500	-	-	226,500
29.—Superannuations - - - -	1,649,300	516,600	700	2,166,600	1,647,000	523,500	700	2,171,200
30.—Miscellaneous - - - - -	67,600	112,000	81,600	261,200	66,800	131,500	88,900	287,200
31.—Famine Relief and Insurance—								
Relief - - - - -	-	25,600	-	25,600	-	12,500	-	12,500
Protective Works - - - -	144,200	-	-	144,200	1,355,800	-	-	1,355,800
Reduction of Debt - - - -	1,330,200	-	-	1,330,200	131,700	-	-	131,700
32.—Railways - - - - -	6,654,500	774,900	-	7,429,400	6,691,400	857,100	-	7,548,500
Subsidized Railways - - -	70,200	500	-	70,700	84,600	16,300	-	100,900
Frontier Railways - - - -	281,500	-	-	281,500	67,500	-	-	67,500
South Mahratta - - - - -	33,100	-	-	33,100	84,800	-	-	84,800
33.—Irrigation and Navigation -	780,100	681,800	9,400	1,471,300	738,800	603,200	11,300	1,353,300
34.—Other Public Works - - -	1,603,600	2,258,200	1,560,400	5,422,200	1,515,800	2,057,600	1,730,300	5,303,700
35.—Army - - - - -	16,172,100	-	-	16,172,100	16,064,000	-	-	16,064,000
" Military Operations in Egypt.	1,337,200	-	-	1,337,200	-	-	-	-
36.—Loss by Exchange - - - -	3,451,900	-	-	3,451,900	3,925,200	-	-	3,925,200
	49,465,000	17,256,700	2,994,100	69,715,800	48,056,500	17,389,200	3,247,800	68,693,500
37.—Productive Public Works -	4,844,400	-	-	4,844,400	3,820,100	-	-	3,820,100
TOTAL - - - - -	54,309,400	17,256,700	2,994,100	74,560,200	51,876,600	17,389,200	3,247,800	72,513,600
Add—Contributions - - - -	-	299,200	110,100	409,300	-	430,800	82,900	513,700
Deduct—Contributions - - - -	-	93,100	311,200	404,300	-	72,900	440,800	513,700
TOTAL - - - - -	54,309,400	17,457,800	2,793,000	74,560,200	51,876,600	17,747,100	2,889,900	72,513,600
Debt Account - - - - -	-	-	107,700	-	-	-	107,500	-
Closing Balance - - - - -	-	2,464,400	881,800	-	-	1,292,200	574,700	-
GRAND TOTAL - £.	-	19,922,200	3,782,500	-	-	19,039,300	3,572,100	-
DEFICITS - - - - -	-	1,277,700	247,700	1,525,400	-	1,172,200	327,100	1,499,300

J. Westlund,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

FINANCIAL STATEMENT OF THE

IV.—RECEIPTS and DISBURSEMENTS at the TREASURIES of

RECEIPTS.	Accounts, 1881-82.	Budget Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
I.—Imperial Revenue -	73,993,605	66,459,000	68,250,200	1,791,200	-	67,651,200	-	599,000
II.—Public Debt* -	5,456,079	1,950,000	9,385,300	7,435,300	-	2,600,000	-	6,785,300
III.—Treasury Notes and Service Funds.	1,065,903	1,091,000	1,144,000	53,000	-	1,036,000	-	108,000
IV.—Savings Banks' De- posits.	1,661,191	1,635,000	1,791,800	156,800	-	1,766,100	-	25,700
V.—Political and other excluded Funds.	730,360	623,000	660,700	37,700	-	619,300	-	41,400
VI.—Provincial and Local Surpluses.	1,521,019	-	18,300	18,300	-	14,700	-	3,600
VII.—Deposits and Ad- vances.	18,482,161	19,646,000	21,641,400	1,995,400	-	18,407,200	-	3,234,200
VIII.—Loans to Municipali- ties, Native States, &c.	392,345	210,000	231,700	21,700	-	195,500	-	36,200
IX.—Guaranteed Railway Capital.	2,049,872	2,729,000	4,927,100	2,198,100	-	2,658,600	-	2,268,500
X.—Money Orders -	5,733,515	5,602,000	6,532,800	930,800	-	6,964,600	431,800	-
XI.—Remittances in India	14,800,297	13,082,000	21,126,000	8,044,000	-	19,754,100	-	1,371,900
XII.—Secretary of State's Bills drawn.*	18,412,429	15,342,000	15,042,000	-	300,000	16,300,000	1,258,000	-
XIII.—Remittances between India and England.	1,874,868	2,070,000	1,717,600	-	352,400	1,768,300	45,700	-
TOTAL - - - £.	146,173,644	130,439,000	152,468,900	22,029,900	-	139,730,600	-	12,738,300
Balance - - - -	17,498,850	17,251,000	17,143,822	-	107,178	16,877,122	-	266,700
GRAND TOTAL - - £.	163,672,494	147,690,000	169,612,722	21,922,722	-	156,607,722	-	13,005,000

* The Estimates in this Statement of the amounts to be supplied to the Home Treasury by Bills in 1883-84 must not be understood to pledge itself that the Secretary

ABSTRACT of the above, showing how the WAYS and MEANS are provided. - -

ACCOUNTS, 1881-82.			REVISED ESTIMATES, 1882-83.		
	£.		£.		£.
Treasury Notes and Service Funds.	236,606	Deficit of Imperial Revenue	728,696	Public Debt - - -	2,468,900
Savings Banks Deposits -	98,988	Public Debt - - -	466,636	Treasury Notes and Service Funds.	296,300
Political and other excluded Funds.	25,611	Deposits and Advances -	1,686,372	Savings Banks Deposits -	410,600
Surplus of Provincial and Local Revenue.	1,519,792	Guaranteed Railway Capital	502,414	Deposits and Advances -	1,815,600
Loans to Municipalities, Native States, &c.	195,183			Loans to Municipalities, Native States, &c.	105,200
Money Orders - - -	19,375			Guaranteed Railway Capital	1,092,000
Secretary of State's Bills drawn.	75,432			Money Orders - - -	500
Remittances - - -	858,103			Remittances - - -	307,900
Balance reduced - - -	355,028			Balance reduced - - -	266,700
TOTAL - - - £.	3,384,118	TOTAL - - - £.	3,384,118	TOTAL - - - £.	6,763,700

Fort William, Department of Finance and Commerce, }
15 March 1883.

E. W. Kellner,
Deputy Comptroller General.

the GOVERNMENT of INDIA in India and in England.

DISBURSEMENTS.	Accounts, 1881-82.	Budget Estimates, 1882-3.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
1.—Imperial Expenditure	74,722,901	69,424,000	73,034,800	3,610,800	-	71,014,300	-	2,020,500
2.—Public Debt	5,922,715	3,138,000	6,916,400	3,778,400	-	540,000	-	6,376,400
3.—Treasury Notes and Service Funds.	829,297	827,000	847,700	20,700	-	792,400	-	55,300
4.—Savings Banks' De- posits.	1,562,203	1,385,000	1,381,200	-	3,800	1,415,300	34,100	-
5.—Political and other Ex- cluded Funds.	704,749	580,000	688,400	108,400	-	620,800	-	67,600
6.—Provincial and Local Deficits.	1,227	1,990,000	1,543,700	-	446,300	1,514,000	-	29,700
7.—Deposits and Advances	20,168,533	17,849,000	19,825,800	1,976,800	-	17,491,600	-	2,334,200
8.—Loans to Municipalities, Native States, &c.	197,162	125,000	126,500	1,500	-	140,700	14,200	-
9.—Guaranteed Railway Capital.	2,552,286	3,271,000	3,835,100	564,100	-	3,835,300	60,200	-
10.—Money Orders	5,714,140	5,584,000	6,532,300	948,300	-	6,947,100	414,800	-
11.—Remittances in India	13,913,485	13,091,000	20,649,700	7,558,700	-	19,817,100	-	832,600
12.—Secretary of State's Bills paid.	18,336,997	15,342,000	15,468,000	126,000	-	16,300,000	832,000	-
13.—Remittances between India and England.	1,903,577	2,089,000	1,886,000	-	203,000	2,108,300	222,800	-
TOTAL - - - £.	146,528,672	134,695,000	152,735,600	18,040,600	-	142,597,400	-	10,138,200
Balance - - - -	17,143,822	12,995,000	16,877,122	3,882,122	-	14,010,322	-	2,866,800
GRAND TOTAL - - £.	163,672,494	147,690,000	169,612,722	21,922,722	-	156,607,722	-	13,005,000

are the best that can now be made; but they are subject to modification as the year goes on; the Govern-
of State will raise by Bills the exact amount stated.

- - ABSTRACT of the above, showing how the WAYS and MEANS are provided.

REVISED ESTIMATES, 1882-83.		BUDGET ESTIMATES, 1883-84.			
	£.		£.		£.
Deficit of Imperial Revenue	4,784,600	Public Debt - - -	2,060,000	Deficit of Imperial Revenue	3,363,100
Political and other Ex- cluded Funds.	27,700	Treasury Notes and Service Funds.	243,600	Political and other Ex- cluded Funds.	1,500
Deficit of Provincial and Local Revenue.	1,525,400	Savings Banks Deposits -	350,800	Deficit of Provincial and Local Revenue.	1,499,300
Secretary of State's Bills paid.	426,000	Deposits and Advances -	915,600	Guaranteed Railway Capital	1,236,700
		Loans to Municipalities, Native States, &c.	54,800	Remittances - - -	408,500
		Money Orders - -	17,500		
		Balance reduced - -	2,866,800		
TOTAL - - - £.	6,763,700	TOTAL - - - £.	6,509,100	TOTAL - - - £.	6,509,100

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

V.—REVENUE and EXPENDITURE of the GOVERNMENT of INDIA in India.

ESTIMATES, 1883-84.

REVENUE	Accounts, 1881-82.	Budget Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
	£.	£.	£.	£.	£.	£.	Increase.	Decrease
CIVIL:								
I.—Land Revenue - - -	21,948,022	21,487,000	21,700,400	213,400	-	21,792,700	92,300	-
II.—Tributes - - -	706,873	701,000	709,900	8,900	-	701,000	-	8,900
III.—Forest - - -	872,199	806,900	918,800	111,900	-	933,300	14,500	-
IV.—Excise - - -	3,427,274	3,381,000	3,615,900	284,900	-	3,623,300	7,400	-
V.—Assessed Taxes - - -	536,829	538,000	525,900	-	12,100	523,400	-	2,500
VI.—Provincial Rates - - -	2,895,490	2,649,000	2,668,400	19,400	-	2,688,200	19,800	-
VII.—Customs - - -	2,361,388	1,181,000	1,265,300	84,300	-	1,255,100	-	10,200
VIII.—Salt - - -	7,975,620	6,049,000	6,128,700	79,700	-	6,167,000	38,300	-
IX.—Opium - - -	9,862,444	9,500,000	9,561,800	61,800	-	9,200,000	-	361,800
X.—Stamps - - -	3,381,372	3,342,000	3,411,600	69,600	-	3,427,200	15,600	-
XI.—Registration - - -	284,714	284,000	285,400	1,400	-	280,400	-	5,000
XII.—Mint - - -	70,556	145,000	152,200	7,200	-	102,000	-	50,200
XIII.—Post Office - - -	949,907	967,000	979,600	12,600	-	1,010,900	31,300	-
XIV.—Telegraph - - -	417,421	493,700	446,100	-	47,600	514,100	68,000	-
XV.—Minor Departments - - -	76,469	65,500	82,300	16,800	-	70,000	-	12,300
XVI.—Law and Justice - - -	677,454	659,000	662,000	3,000	-	645,000	-	17,000
XVII.—Police - - -	248,005	248,000	227,200	-	20,800	226,200	-	1,000
XVIII.—Marine - - -	237,863	183,000	211,600	28,600	-	207,100	-	4,500
XIX.—Education - - -	189,292	177,000	199,800	22,800	-	204,900	5,100	-
XX.—Medical - - -	35,509	39,000	46,500	7,500	-	46,600	100	-
XXI.—Stationery and Printing. - - -	57,799	59,000	57,600	-	1,400	57,200	-	400
XXII.—Interest - - -	840,434	647,000	664,200	17,200	-	646,000	-	18,200
XXIII.—Superannuation Contributions. - - -	250,300	206,800	191,500	-	15,300	193,500	2,000	-
XXIV.—Miscellaneous - - -	380,767	262,000	301,100	39,100	-	260,100	-	41,000
XXV.—Railways: Ordinary - - -	-	-	123,100	123,100	-	191,900	68,800	-
Subsidized - - -	-	-	-	-	-	10,000	10,000	-
XXVI.—Irrigation and Navigation. - - -	131,239	133,000	131,900	-	1,100	141,300	9,400	-
XXVII.—Other Public Works - - -	580,634	469,000	498,700	29,700	-	503,100	4,400	-
XXVIII.—Army - - -	1,093,444	813,500	913,000	99,500	-	824,800	-	88,200
„ Military Operations in Afghanistan. - - -	354,768	-	40,000	40,000	-	-	-	40,000
XXIX.—Gain by Exchange - - -	297,799	381,000	336,300	-	44,700	377,200	40,900	-
TOTAL - - - £.	60,541,885	55,817,400	57,056,800	1,239,400	-	56,823,500	-	233,300
REVENUE FROM PRODUCTIVE PUBLIC WORKS:								
XXV.—Railways: State (Gross Earnings) - - -	2,556,542	2,775,800	2,583,000	-	192,800	2,730,500	147,500	-
Guaranteed (Net Traffic Receipts). - - -	3,615,625	3,473,000	3,580,000	57,000	-	3,539,000	9,000	-
East Indian Railway - - -	3,261,481	2,660,000	2,845,000	185,000	-	2,907,000	62,000	-
XXVI.—Irrigation and Navigation: Direct Receipts - - -	865,628	843,800	883,300	39,500	-	885,400	2,100	-
Madras Irrigation and Canal Company (Net Traffic Receipts, &c.). - - -	-8,834	-15,000	-5,400	9,600	-	-	5,400	-
I.—Portion of Land Revenue due to Irrigation. - - -	491,220	685,000	532,000	-	153,000	545,500	13,500	-
TOTAL - - - £.	10,781,662	10,422,600	10,367,900	-	54,700	10,607,400	239,500	-
GRAND TOTAL - - - £.	71,323,547	66,240,000	67,424,700	1,184,700	-	67,430,900	6,200	-

* Expedition to Egypt.

Fort William, Department of Finance and Commerce,
15 March 1883.E. W. Kellner,
Deputy Comptroller General.

V.—REVENUE and EXPENDITURE of the GOVERNMENT of INDIA in India.

ESTIMATES, 1883-84.

EXPENDITURE.	Accounts,	Budget	Revised	Increase.	Decrease.	Budget	Budget Estimates,	
	1881-82.	Estimates,	Estimates,			Estimates,	1883-84, compared with Revised Estimates, 1882-83.	
	£.	£.	£.	£.	£.	£.	Increase.	Decrease.
CIVIL:								
1.—Interest on Debt	1,511,696	1,477,300	1,507,700	30,400	—	1,328,900	—	178,800
2.—Interest, other Accounts	533,278	457,200	460,600	3,400	—	437,400	—	23,200
3.—Refunds and Drawbacks	419,921	511,000	512,000	1,000	—	322,200	—	189,800
4.—Land Revenue	3,003,251	3,107,000	3,055,300	—	111,700	3,210,800	155,500	—
5.—Forest	552,357	575,800	581,400	5,600	—	671,500	90,100	—
6.—Excise	96,883	99,000	95,700	—	3,300	94,400	—	1,300
7.—Assessed Taxes	13,074	15,000	13,800	—	1,200	14,000	200	—
8.—Provincial Rates	53,226	49,000	50,900	1,900	—	51,100	200	—
9.—Customs	195,093	163,000	156,600	—	6,400	143,700	—	12,900
10.—Salt	486,209	639,000	495,400	—	143,600	546,300	50,900	—
11.—Opium	2,056,273	2,249,000	2,343,300	93,400	—	2,164,300	—	179,000
12.—Stamps	77,761	80,000	78,300	—	1,700	79,600	1,300	—
13.—Registration	179,401	180,000	184,800	—	1,200	180,300	1,500	—
14.—Mint	68,509	104,400	81,600	—	22,800	71,200	—	10,400
15.—Post Office	1,051,123	1,069,400	1,085,600	16,200	—	1,120,800	35,200	—
16.—Telegraph	442,087	514,900	506,900	—	8,000	543,600	37,300	—
17.—Administration	1,262,925	1,286,300	1,328,000	41,700	—	1,315,900	—	12,100
18.—Minor Departments	540,400	420,800	440,600	19,800	—	474,800	34,200	—
19.—Law and Justice	3,184,023	3,345,700	3,227,900	—	117,800	3,301,800	73,900	—
20.—Police	2,553,861	2,635,000	2,627,700	—	7,300	2,705,600	77,900	—
21.—Marine	425,584	370,300	354,200	—	22,100	378,400	24,200	—
22.—Education	1,078,161	1,148,600	1,193,200	—	15,400	1,199,000	65,800	—
23.—Ecclesiastical	161,694	162,000	163,200	1,200	—	167,300	4,100	—
24.—Medical	675,717	695,500	688,900	—	6,600	713,800	24,900	—
25.—Stationery and Printing	447,190	309,000	333,600	24,600	—	328,900	—	4,700
26.—Political	623,514	492,700	484,600	—	8,100	415,100	—	69,600
27.—Allowances and Assignments	1,845,503	1,873,900	1,893,400	24,500	—	1,910,200	11,800	—
28.—Civil Furlough Allowances	4,895	4,000	1,500	—	2,500	1,500	—	—
29.—Superannuations	815,187	741,000	777,600	36,600	—	756,200	—	21,400
30.—Miscellaneous	248,136	253,000	233,200	—	19,800	257,200	24,000	—
31.—Famines Relief and Insurance—								
Relief	34,684	—	25,600	25,600	—	12,500	—	13,100
Protective Works	750,000	750,000	144,200	—	605,800	1,355,800	1,211,600	—
Reduction of Debt	715,151	750,000	1,330,200	580,200	—	131,700	—	1,198,500
32.—Railways	247,673	592,000	585,900	—	6,100	695,200	109,300	—
Subsidized Railways	13,226	33,500	57,000	23,500	—	71,300	14,300	—
Southern Mahratta Railway.	—	—	33,100	33,100	—	84,800	51,700	—
Frontier Railways	—138,909	120,000	202,500	82,500	—	67,500	—	135,000
33.—Irrigation and Navigation	739,911	973,800	918,600	—	55,200	802,000	—	116,600
34.—Other Public Works	5,017,698	5,280,300	5,334,200	53,900	—	5,201,600	—	132,600
35.—Army	13,218,733	12,103,000	12,202,900	99,900	—	12,018,800	—	184,100
Military Operations in Afghanistan.	1,631,924	—	1,219,200	1,219,200	—	—	—	1,219,200
36.—Loss by Exchange	3,854,499	3,156,000	3,451,900	295,900	—	3,925,200	473,300	—
	50,741,622	48,860,300	50,407,200	1,546,900	—	49,278,200	—	1,120,000
Provincial and Local								
{ Surpluses + and	+1,521,019	—	+18,300	18,300	—	+14,700	—	3,600
{ Deficit—	—1,227	—1,990,000	—1,543,700	446,300	—	—1,514,000	—	29,700
TOTAL	£. 52,261,414	46,870,300	48,881,800	2,011,500	—	47,778,900	—	1,102,900
EXPENDITURE ON PRODUCTIVE PUBLIC WORKS (Working Expenses and Interest):								
32.—Railways:								
State (Working and Maintenance).	1,686,392	1,741,000	1,532,600	—	208,400	1,572,800	40,200	—
Guaranteed (Interest, Surplus Profits, &c.).	415,034	547,000	576,900	29,900	—	588,500	11,600	—
East Indian Railway	198,164	214,700	247,100	32,400	—	188,400	—	58,700
33.—Irrigation and Navigation:								
Working and Maintenance	455,442	503,000	526,200	23,200	—	549,300	23,100	—
Madras Irrigation and Canal Company (Interest, &c.).	513	—200	—	200	—	—	—	—
1.—Interest on Debt	1,986,173	2,132,000	2,173,900	41,900	—	2,384,200	210,300	—
TOTAL	£. 4,741,718	5,137,500	5,056,700	—	80,800	5,283,200	226,500	—
GRAND TOTAL	£. 57,003,132	52,007,800	53,938,500	1,930,700	—	53,062,100	—	876,400
37.—Productive Public Works:								
State Railways	1,195,826	1,318,000	1,302,400	—	15,600	1,583,000	280,600	—
East Indian Railway	455,262	485,000	263,200	—	221,800	424,000	160,800	—
Irrigation and Navigation	503,804	897,000	649,100	—	247,900	955,500	306,400	—
Miscellaneous Public Improvements.	68,906	—	44,200	44,200	—	23,000	—	21,200
TOTAL (Productive Public Works, Capital)	£. 2,283,798	2,700,000	2,259,900	—	441,100	2,985,500	726,600	—

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

VI.—REVENUE and EXPENDITURE of the

ESTIMATES, 1883-84

R E V E N U E.	Accounts, 1881-82.	Budget Estimate, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
III.—Forest - - - -	2,236	2,100	2,800	700	-	2,500	-	300
XII.—Mint - - - -	28	-	-	-	-	-	-	-
XIV.—Telegraph - - -	51,787	31,300	74,000	43,600	-	43,000	-	31,900
XV.—Minor Departments -	44,480	500	2,800	2,300	-	500	-	2,300
XVIII.—Marine - - - -	13	-	-	-	-	-	-	-
XX.—Medical - - - -	3,998	2,000	2,000	-	-	2,000	-	-
XXI.—Stationery and Printing	12	-	-	-	-	-	-	-
XXII.—Interest - - - -	56,470	5,000	23,800	18,800	-	5,000	-	18,800
XXIII.—Superannuation Contributions.	105,973	100,200	101,800	1,600	-	99,700	-	2,100
XXIV.—Miscellaneous - -	15,471	6,000	25,000	19,000	-	8,000	-	17,000
XXV.—Railways - - - -	2,290	1,000	3,700	2,700	-	1,000	-	2,700
XXVII.—Other Public Works -	13,636	16,000	14,100	-	1,900	17,400	3,300	-
XXVIII.—Army - - - -	68,263	54,500	73,000	18,500	-	41,000	-	32,000
„ English Contribution for Afghan War.	2,305,000	-	500,000*	500,000	-	-	-	500,000
TOTAL - - - £.	2,669,057	218,600	823,900	605,300	-	220,100	-	603,800
REVENUE FROM PRODUCTIVE PUBLIC WORKS :								
XXV.—Railways (East Indian Railway).	230	200	200	-	-	200	-	-
XXVI.—Irrigation - - - -	171	200	1,400	1,200	-	-	-	1,400
£	401	400	1,600	1,200	-	200	-	1,400
TOTAL - - - £.	2,670,058	219,000	825,500	606,500	-	220,300	-	605,200

* Contribution for Egyptian War.

HOME TREASURY of the GOVERNMENT of INDIA.

ESTIMATES, 1883-84.

EXPENDITURE.	Accounts, 1881-82.	Budget Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
1.—Interest on Debt - - -	2,512,420	2,439,700	2,480,600	40,900	- - -	2,494,700	14,100	- - -
2.—Interest, other Accounts - -	706	1,800	1,800	- - -	- - -	3,000	1,200	- - -
4.—Land Revenue - - - - -	541	1,000	600	- - -	400	900	300	- - -
5.—Forest - - - - -	5,288	5,200	5,300	100	- - -	5,000	- - -	300
6.—Excise - - - - -	3	- - -	- - -	- - -	- - -	- - -	- - -	- - -
9.—Customs - - - - -	17	- - -	- - -	- - -	- - -	- - -	- - -	- - -
10.—Salt - - - - -	- - -	- - -	4,000	4,000	- - -	- - -	- - -	4,000
11.—Opium - - - - -	1,062	100	1,600	1,500	- - -	1,000	- - -	600
12.—Stamps - - - - -	32,862	39,000	42,600	3,600	- - -	23,400	- - -	19,200
14.—Mint - - - - -	19,017	3,600	7,200	3,600	- - -	4,200	- - -	3,000
15.—Post Office - - - - -	96,812	103,600	101,100	- - -	2,500	102,000	900	- - -
16.—Telegraph - - - - -	94,114	122,100	150,400	28,300	- - -	198,000	47,600	- - -
17.—Administration - - - - -	231,431	217,700	249,700	32,000	- - -	239,000	- - -	10,700
18.—Minor Departments - - -	20,591	21,200	26,000	4,800	- - -	20,800	- - -	5,200
19.—Law and Justice - - - - -	226	1,300	1,400	100	- - -	1,600	200	- - -
21.—Marine - - - - -	197,814	244,700	191,300	- - -	53,400	136,700	- - -	54,600
22.—Education - - - - -	329	400	400	- - -	- - -	300	- - -	100
23.—Ecclesiastical - - - - -	442	1,000	400	- - -	600	800	- - -	100
24.—Medical - - - - -	7,468	7,500	7,500	- - -	- - -	7,500	- - -	- - -
25.—Stationery and Printing - -	118,694	131,000	160,500	29,500	- - -	133,000	- - -	27,500
26.—Political - - - - -	25,832	27,300	26,800	- - -	500	27,300	500	- - -
27.—Allowances and Assignments.	31,265	65,100	31,300	- - -	33,800	79,300	48,000	- - -
28.—Civil Purlough Allowances	217,747	230,000	215,000	- - -	15,000	225,000	10,000	- - -
29.—Superannuations - - - - -	1,367,140	1,360,000	1,389,000	29,000	- - -	1,415,000	26,000	- - -
30.—Miscellaneous - - - - -	44,156	18,000	28,000	10,000	- - -	30,000	2,000	- - -
31.—Famine Relief - - - - -	165	- - -	- - -	- - -	- - -	- - -	- - -	- - -
32.—Railways (Frontier Railways).	363,491	103,000	79,000	- - -	24,000	- - -	- - -	79,000
Subsidized Railways - - -	4,301	16,500	13,700	- - -	2,800	29,600	15,900	- - -
33.—Irrigation - - - - -	22	200	1,300	1,100	- - -	2,000	700	- - -
34.—Other Public Works - - -	98,018	90,700	88,000	- - -	2,700	102,100	14,100	- - -
35.—Army - - - - -	3,997,482	4,025,000	3,969,200	- - -	55,800	4,045,200	76,000	- - -
" Military Operations in Afghanistan.	13,003	- - -	- - -	- - -	- - -	- - -	- - -	- - -
" Military Operations in Egypt.	- - -	- - -	118,000	118,000	- - -	- - -	- - -	118,000
TOTAL - - - £.	9,500,459	9,276,700	9,391,700	115,000	- - -	9,326,900	- - -	64,800
EXPENDITURE ON PRODUCTIVE PUBLIC WORKS:								
1.—Interest - - - - -	352,852	342,000	348,100	6,100	- - -	301,600	- - -	46,500
32.—Railways (Guaranteed) - -	3,314,706	3,278,000	3,294,500	16,500	- - -	3,296,000	1,500	- - -
" E. I. Railway - - - - -	1,239,446	1,219,300	1,217,400	- - -	1,900	1,207,600	- - -	9,800
33.—Irrigation (Madras Irrigation and Canal Company)	193	50,200	200	- - -	50,000	- - -	- - -	200
	4,907,287	4,889,500	4,860,200	- - -	29,300	4,805,200	- - -	55,000
TOTAL - - - £.	14,407,746	14,166,200	14,251,900	85,700	- - -	14,132,100	- - -	119,800
37.—Productive Public Works:								
State Railways - - - - -	439,325	550,000	372,000	- - -	178,000	812,000	440,000	- - -
E. I. Railway - - - - -	586,300	- - -	450,000	450,000	- - -	- - -	- - -	450,000
Irrigation and Navigation	- - -	- - -	1,763,500	1,763,500	- - -	22,600	- - -	1,740,900
TOTAL, Productive Public Works, Capital - - - £.	1,025,625	550,000	2,585,500	2,035,500	- - -	834,600	- - -	1,750,900

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

VII.—RECEIPTS and DISBURSEMENTS at the TREASURIES

RECEIPTS.	Accounts, 1881-82.	Budget Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
I.—Imperial Revenue	71,323,547	65,240,000	67,424,700	1,184,700	—	67,430,900	6,200	—
II.—Public Debt (a)	3,000,432	—	2,685,300	2,685,300	—	2,600,000	—	85,300
III.—Treasury Notes and Service Funds.	1,061,868	1,087,000	1,140,000	53,000	—	1,031,900	—	108,100
IV.—Savings Banks' Deposits	1,661,191	1,635,000	1,791,800	156,800	—	1,766,100	—	25,700
V.—Political and other ex- cluded Funds.	730,360	623,000	660,700	37,700	—	619,300	—	41,400
VI.—Provincial and Local Surpluses.	1,521,019	—	18,300	18,300	—	14,700	—	3,600
VII.—Deposits and Advances	18,459,663	19,143,000	21,136,500	1,993,500	—	17,904,200	—	3,232,300
VIII.—Loans to Municipalities, Native States, &c.	392,345	210,000	231,700	21,700	—	195,500	—	36,200
IX.—Guaranteed Railway Capital.	1,452,956	1,674,000	1,742,900	68,900	—	1,673,600	—	64,300
X.—Money Orders	5,733,515	5,602,000	6,532,800	930,800	—	6,964,600	431,800	—
XI.—Remittances in India	14,800,297	13,082,000	£1,126,000	8,044,000	—	19,754,100	—	1,371,900
XIII.—Remittances between India and England.	1,551,109	1,722,000	1,330,300	—	391,700	1,440,800	110,500	—
TOTAL	£. 121,688,303	111,018,000	125,821,000	14,803,000	—	121,400,700	—	4,420,300
Balance	13,371,101	14,199,651	14,522,913	323,262	—	13,840,013	—	682,900
GRAND TOTAL	£. 135,059,403	125,217,651	140,343,913	15,126,262	—	135,240,713	—	5,103,200

(a) The Estimates in this Statement of the amounts to be supplied to the Home Treasury by Bills in 1883-84 are the best that itself that the Secretary of State will raise

ABSTRACT of the above, showing how the WAYS and MEANS are provided.

ACCOUNTS, 1881-82.				REVISED ESTIMATES, 1882-83.	
	£.		£.		£.
Surplus of Imperial Revenue	12,034,617	Secretary of State's Bills Paid.	18,336,997	Surplus of Imperial Revenue	11,227,300
Public Debt	2,795,045			Public Debt	2,042,300
Treasury Notes and Service Funds.	233,129	Balance increased	1,151,812	Treasury Notes and Service Funds.	292,900
Savings Banks' Deposits	98,988			Savings Banks' Deposits	410,600
Political and other excluded Funds.	25,611			Deposits and Advances	1,315,600
Surplus of Provincial and Local Revenue.	1,519,792			Loans to Municipalities, Native States, &c.	105,200
Deposits and Advances	111,702			Money Orders	500
Loans to Municipalities, Native States, &c.	195,183			Remittances	1,394,800
Money Orders	19,375			Balance reduced	682,900
Secretary of State's Bills drawn.	—				
Remittances	2,105,252				
Guaranteed Railway Capital	350,115				
TOTAL	£. 19,488,809	TOTAL	£. 19,488,809	TOTAL	£. 17,472,100

Fort William, Department of Finance and Commerce, }
15 March 1883.

E. W. Kellner,
Deputy Comptroller General.

of the GOVERNMENT OF INDIA in India.

DISBURSEMENTS.	Accounts, 1881-82.	Budget* Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
1.—Imperial Expenditure -	59,288,930	54,707,800	59,197,400	1,489,600	-	56,047,600	-	140,800
2.—Public Debt - - -	205,387	500,000	643,000	53,000	-	30,000	-	613,000
3.—Treasury Notes, and Service Funds.	828,739	826,500	847,100	20,600	-	791,700	-	55,400
4.—Savings Banks' Deposits	1,562,203	1,385,000	1,381,200	-	3,800	1,415,300	34,100	-
5.—Political and other excluded Funds.	704,749	580,000	688,400	108,400	-	620,800	-	67,600
6.—Provincial and Local Deficits.	1,227	1,090,000	1,543,709	-	446,300	1,514,000	-	29,700
7.—Deposits and Advances -	18,347,961	17,846,000	19,820,900	1,074,900	-	17,488,600	-	2,332,300
8.—Loans to Municipalities, Native States, &c.	197,162	125,000	126,500	1,500	-	140,700	14,200	-
9.—Guaranteed Railway Capital.	1,102,841	1,901,000	2,193,900	292,900	-	2,083,300	-	110,600
10.—Money Orders - - -	5,714,140	5,584,000	6,592,300	948,300	-	6,947,100	414,800	-
11.—Remittances in India -	13,913,485	13,091,000	20,649,700	7,558,700	-	19,817,100	-	832,600
12.—Secretary of State's Bills paid.	18,336,997	15,342,000	15,468,000	126,000	-	16,300,000	832,000	-
13.—Remittances between India and England.	332,669	401,000	411,800	10,800	-	347,800	-	64,000
TOTAL - - - £.	120,536,490	114,369,300	126,503,900	12,134,600	-	123,544,000	-	2,959,900
Balance - - -	14,522,913	10,848,351	13,840,013	2,991,662	-	11,696,713	-	2,143,300
GRAND TOTAL - - £.	135,059,403	125,217,651	140,343,913	15,126,262	-	135,240,713	-	5,103,200

can now be made; but they are subject to modification as the year goes on. The Government must not be understood to pledge by Bills the exact amount stated.

- - ABSTRACT of the above, showing how the WAYS and MEANS are Provided.

- REVISED ESTIMATES, 1882-83.		BUDGET ESTIMATES, 1883-84.			
	£.		£.		£.
Political and other excluded Funds.	27,700	Surplus of Imperial Revenue	11,383,300	Political and other excluded Funds.	1,500
Deposits and Advances -	-	Public Debt - - -	2,570,000	Deficit of Provincial and Local Revenue.	1,499,300
Deficit of Provincial and Local Revenue	1,525,400	Treasury Notes and Service Funds.	240,200	Guaranteed Railway Capital	404,700
Guaranteed Railway Capital	451,000	Savings Banks' Deposits -	350,800	Secretary of State's Bills paid.	16,300,000
Secretary of State's Bills Paid.	15,468,000	Deposits and Advances -	415,600		
		Loans to Municipalities, Native States, &c.	54,800		
		Remittances - - -	1,030,000		
		Money Orders - - -	17,500		
		Balance Reduced - - -	2,143,300		
TOTAL - - - £.	17,472,100	TOTAL - - - £.	18,205,500	TOTAL - - - £.	18,205,500

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

VIII.—RECEIPTS and DISBURSEMENTS at

RECEIPTS.	Accounts, 1881-82.	Budget Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase.	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
I.—Public Revenue - -	2,670,058	219,000	825,500	606,500	- -	220,300	-	605,200
II.—Public Debt* - -	2,455,647	1,950,000	6,700,000	4,750,000	- -	-	-	6,700,000
III.—Service Funds - -	4,035	4,000	4,000	-	-	4,100	100	-
VI.—Deposits and Advances	22,498	503,000	504,900	1,900	-	503,000	-	1,900
IX.—Guaranteed Railway Capital.	596,916	1,055,000	3,184,200	2,129,200	-	980,000	-	2,204,200
XII.—Secretary of State's Bills drawn.	18,412,429	15,342,000	15,042,000	-	300,000	16,300,000	1,258,000	-
XIII.—Remittances between India and England	323,759	348,000	387,300	39,300	-	322,500	-	64,800
TOTAL - - - £.	24,485,342	19,421,000	26,647,900	7,226,900	- -	18,329,900	-	8,318,000
Balance - - - -	4,127,749	3,051,349	2,620,909	-	430,440	3,037,109	416,200	-
GRAND TOTAL - £.	28,613,091	22,472,349	29,268,809	6,796,460	- -	21,367,009	-	7,901,800

* The Estimates in this Statement of the amount to be supplied to the Home Treasury by Bills in 1883-84, and of the Debt not be understood to pledge itself that the Secretary of State will raise by Bills the exact

ABSTRACT of the above, showing how the

ACCOUNTS, 1881-82.				REVISED ESTIMATES, 1882-83.	
	£.		£.		£.
Service Funds - - -	3,476	Deficit of Revenue - -	12,763,313	Service Funds - - -	3,400
Secretary of State's Bills drawn.	18,412,429	Net Public Debt - - -	3,261,680	Net Public Debt - - -	426,600
Balance Reduced - -	1,506,840	Net Deposits and Advances	1,798,074	Net Deposits and Advances	500,000
		Net Guaranteed Railway Capital.	852,529	Guaranteed Railway Capital	1,543,000
		Net Remittances between India and England.	1,247,149	Secretary of State's Bills drawn.	15,042,000
TOTAL - - - £.	19,922,745	TOTAL - - - £.	19,922,745	TOTAL - - - £.	17,515,000

Fort William, Department of Finance and Commerce, }
15 March 1883.

E. W. Kellner,
Deputy Comptroller General.

IX.—CLOSING BALANCES of the

	ACTUALS, 1881-82.			
	Provincial	Local	TOTAL	
	£.	£.	£.	
India, General - - - -	-	5,364	5,364	1
Central Provinces - - - -	161,603	37,151	198,754	2
British Burma - - - -	350,962	90,523	441,485	3
Assam - - - -	103,590	-	103,590	4
Bengal - - - -	754,301	159,609	913,910	5
North-Western Provinces and Oudh	1,334,174	25,451	1,357,625	6
Punjab - - - -	296,293	113,560	409,853	7
Madras - - - -	174,337	513,922	688,259	8
Bombay - - - -	566,786	165,917	732,703	9
TOTAL - - - £.	3,742,046	1,109,497	4,851,543	

Fort William, Department of Finance and Commerce, }
15 March 1883.

E. W. Kellner,
Deputy Comptroller General.

the HOME TREASURY of the GOVERNMENT of INDIA.

DISBURSEMENTS.	Accounts, 1881-82.	Budget, Estimates, 1882-83.	Revised Estimates, 1882-83.	Increase	Decrease.	Budget Estimates, 1883-84.	Budget Estimates, 1883-84, compared with Revised Estimates, 1882-83.	
							Increase.	Decrease.
	£.	£.	£.	£.	£.	£.	£.	£.
1.—Public Expenditure - -	15,433,371	14,716,200	16,837,400	2,121,200	- -	14,966,700	-	1,870,700
2.—Public Debt - - -	5,717,328	2,548,000	6,273,400	3,725,400	- -	510,000	-	5,763,400
3.—Service Funds - - -	558	500	600	100	- -	700	100	-
7.—Deposits and Advances -	1,820,572	3,000	4,900	1,900	- -	3,000	-	1,900
9.—Guaranteed Railway Capital.	1,449,445	1,370,000	1,641,200	271,200	- -	1,812,000	170,800	-
13.—Remittances between India and England.	1,570,908	1,688,000	1,474,200	- -	213,800	1,761,000	286,800	-
TOTAL - - - £.	25,992,182	20,325,700	26,231,700	5,906,000	- -	19,053,400	-	7,178,300
Balance - - - -	2,620,909	2,146,649	3,037,109	890,460	- -	2,313,609	-	723,500
GRAND TOTAL - £.	28,613,091	22,472,349	29,268,809	6,796,460	- -	21,367,009	-	7,901,800

transactions, are the best that can now be made; but they are subject to modification as the year goes on; the Government must amount stated, or that the debt transactions will be carried out as estimated.

WAYS and MEANS are Provided.

- REVISED ESTIMATES, 1882-83.		BUDGET ESTIMATES, 1883-84.			
	£.		£.		£.
Deficit of Revenue - - -	16,011,000	Service Funds - - -	3,400	Deficit of Revenue - - -	14,745,400
Net Miscellaneous Remittances between India and England.	1,086,900	Net Deposits and Advances	500,000	Net Public Debt - - -	510,000
Balance Increased - - -	416,200	Secretary of State's Bills drawn.	16,300,000	Guaranteed Railway Capital	892,000
		Balance reduced - - -	723,500	Net Miscellaneous Remittances between India and England.	1,432,500
TOTAL - - - £.	17,515,000	TOTAL - - - £.	17,526,900	TOTAL - - - £.	17,526,900

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

PROVINCIAL GOVERNMENTS.

	REVISED ESTIMATE, 1882-83.			BUDGET ESTIMATE, 1883-84.		
	Provincial.	Local.	TOTAL.	Provincial.	Local.	TOTAL.
	£.	£.	£.	£.	£.	£.
1	-	3,100	3,100	-	900	900
2	186,400	30,700	217,100	207,000	24,800	231,800
3	246,700	56,300	303,000	14,200	2,600	16,800
4	92,300	-	92,300	50,300	-	50,300
5	248,400	130,400	378,800	67,800	38,600	106,400
6	980,900	-	980,900	246,200	-	246,200
7	196,200	121,000	317,200	173,300	122,100	295,400
8	254,500	415,000	669,500	232,500	313,600	546,100
9	259,000	125,300	384,300	300,900	72,100	373,000
	2,404,400	881,800	3,286,200	1,292,200	574,700	1,866,900

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

X.—STATEMENT showing the NET

In thousands of Conventional £. - - - - -

REVENUE	1881-82.	1882-83.		1883-84.
	Actuals.	Budget.	Revised.	Budget.
	£.	£.	£.	£.
Land Revenue - - - - -	18,944	18,319	18,645	18,581
Assessed Taxes - - - - -	524	523	512	509
Customs - - - - -	2,166	1,013	1,109	1,111
Salt - - - - -	6,890	5,410	5,629	5,621
Opium - - - - -	7,805	7,250	7,217	7,035
Excise - - - - -	3,330	3,232	3,520	3,529
Stamps - - - - -	3,271	3,223	3,291	3,324
Registration - - - - -	105	98	101	94
Forest - - - - -	317	228	335	259
Tributes and Contributions, Mint and Miscellaneous, less Refunds and Drawbacks.	374	224	326	386
Provincial Rates - - - - -	2,842	2,600	2,617	2,637
Provincial and Local Adjustments, Ordinary - -	-1,520	1,990	1,525	1,499
TOTAL NET REVENUE - - - £.	45,043	44,115	44,827	44,585

N.B.—The figures of this Statement are not the same as those of the Net Statement in the New Form (page 60), as the two statements are not made up in precisely the same manner.

REVENUE and EXPENDITURE of INDIA.

In thousands of Conventional £.

EXPENDITURE.	1881-82.	1882-83.		1883-84.
	Actuals.	Budget.	Revised.	Budget.
	£.	£.	£.	£.
Administration - - - - -	1,494	1,504	1,578	1,555
Law and Justice - - - - -	2,507	2,688	2,567	2,658
Police - - - - -	2,306	2,387	2,400	2,479
Education - - - - -	889	972	934	994
Ecclesiastical - - - - -	162	163	164	168
Minor Departments,—Marine, Medical, Stationery and Printing, Post Office, and Telegraph.	2,242	2,175	2,143	2,207
Political, and Allowances, &c., under Treaties - - - - -	2,526	2,459	2,441	2,432
Furlough and Superannuation, &c., Allowances - - - - -	2,049	2,023	2,090	2,104
ARMY :				
Ordinary - - - - -	16,054	15,260	15,186	15,198
		Actuals, 1881-82.	Revised, 1882-83.	
		£.	£.	
War and Frontier Railways - - - - -		1,515	1,578	
English Contribution for Afghan War - - - - -		-2,305	-	
Ditto - ditto for War in Egypt - - - - -		-	-500	
	-790		1,078	-
Famine Relief and Insurance - - - - -	1,500	1,500	1,500	1,500
Interest, exclusive of that for Productive Public Works - - - - -	3,661	3,724	3,762	3,613
Loss by Exchange - - - - -	3,557	2,775	3,116	3,548
Public Works, Ordinary - - - - -	5,441	6,591*	6,260	6,191*
	43,598	44,226	45,219	44,647
PRODUCTIVE PUBLIC WORKS:				
		Actuals, 1881-82.	Budget Estimate, 1882-83.	Revised Estimate, 1883-84.
		£.	£.	£.
-Land and other Re- ceipts.		10,276	9,870	9,818
+Interest and charges.		9,143	9,474	9,363
	-1,133		-396	-452
TOTAL NET EXPENDITURE - - - £.	42,465	43,830	44,767	44,128
Surplus - - - - -	2,583	295	60	457
TOTAL - - - £.	45,048	44,115	44,827	44,585

* Includes 223 in Budget 1882-83, and 67 in 1883-84 for Frontier Railways.

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

APPENDIX III.

ACCOUNTS AND ESTIMATES.
(New Classification.)

ACCOUNTS	-	-	-	-	-	-	-	-	-	1871-72 to 1881-82.
ESTIMATES	-	-	-	-	-	-	-	-	-	1882-83 and 1883-84.

CONTENTS.

	PAGES.
General Statement	84 and 85
Details of Revenue	86 and 87
Details of Expenditure	88-91

N.B.—The Provincial and Local Revenue and Expenditure are incorporated in these figures. In the actual accounts they were not incorporated till 1877-78, being represented only by a net entry against "Provincial Services."

GENERAL STATEMENT OF REVENUE

	1871-72.	1872-73.	1873-74.	1874-75.	1875-76.	
REVENUE:	£.	£.	£.	£.	£.	
Principal Heads of Revenue:						
Land Revenue - - - - -	20,531,719	21,375,076	21,060,274	21,332,176	21,540,480	1
Opium - - - - -	9,253,859	8,684,691	8,324,879	8,556,629	8,471,425	2
Salt - - - - -	8,967,619	8,167,032	6,152,977	6,229,396	6,245,555	3
Stamps - - - - -	2,476,333	2,610,025	2,699,936	2,758,042	2,835,368	4
Excise - - - - -	2,370,501	2,324,915	2,287,680	2,347,274	2,494,339	5
Other Heads - - - - -	6,487,647	6,660,177	6,095,900	6,088,870	6,297,705	6
TOTAL Principal Heads £.	47,087,678	47,821,916	46,621,646	47,307,387	47,884,872	7
Post Office, Telegraph, and Mint -	1,145,521	884,650	1,005,641	1,185,319	1,185,280	8
Receipts by Civil Departments -	1,295,071	1,210,508	1,314,381	1,333,288	1,287,669	9
Miscellaneous - - - - -	1,776,034	1,708,051	2,305,285	2,749,117	3,033,005	10
Revenue from Productive Public Works	3,567,947	3,288,171	4,116,656	4,764,860	5,047,543	11
Receipts on account of Public Works not classed as Productive.	635,557	610,560	675,661	588,161	602,975	12
Receipts by Military Departments -	944,420	906,810	1,011,039	988,838	1,045,612	13
TOTAL REVENUE - - £.	56,452,228	56,550,986	57,050,309	58,916,960	60,086,956	14
EXPENDITURE:						
Interest - - - - -	5,966,299	5,857,458	5,789,821	5,412,181	5,564,515	15
Direct Demands on the Revenues -	6,957,413	7,336,398	7,503,649	7,947,688	7,978,278	16
Post Office, Telegraph, and Mint -	1,270,888	1,335,027	1,372,646	1,449,104	1,501,634	17
Salaries and Expenses of Civil Departments.	9,431,261	9,575,357	9,728,906	10,004,926	10,231,739	18
Miscellaneous Civil Charges - -	3,310,517	3,658,174	3,904,346	3,741,957	4,305,659	19
Famine Relief and Insurance - -	-	-	3,864,706	2,242,922	601,966	20
Expenditure on Productive Public Works (Revenue Account).	4,956,994	5,450,953	5,547,790	5,837,913	5,732,115	21
Expenditure on Public Works not classed as Productive.	4,832,340	4,865,628	5,500,302	5,961,122	6,272,465	22
Army Services - - - - -	15,678,112	15,503,612	15,228,429	15,375,159	15,308,460	23
Exchange on Transactions with London	433,095	694,846	882,718	785,820	1,355,861	24
TOTAL - - - £.	52,836,919	54,297,453	59,323,313	59,758,787	58,852,692	25
<i>Add—</i> Provincial Surpluses, that is, Allotments to Provincial Governments, unspent by them.	401,132	487,861	6,196	69,538	10,065	26
<i>Deduct—</i> Provincial Deficits, that is, Portion of Provincial Expenditure defrayed from Provincial Balances.	-	-	-473,532	-250,382	-444,746	27
TOTAL EXPENDITURE charged against REVENUE } £.	53,328,051	54,785,314	58,857,977	58,597,943	58,418,011	28
Surplus (+) or Deficit (-) on Revenue Account.	+3,124,177	+1,765,672	-1,807,668	+319,017	+1,668,945	29
Expenditure on Productive Public Works, Capital Account.	1,623,474	2,184,369	3,553,307	4,249,571	4,270,629	30

AND EXPENDITURE, 1871-72 to 1883-84.

	1876-77.	1877-78.	1878-79.	1879-80.	1880-81.	1881-82.	REVISED ESTIMATE, 1882-83.	BUDGET ESTIMATE, 1883-84.
	£.	£.	£.	£.	£.	£.	£.	£.
1	19,891,491	20,047,514	22,323,863	21,861,150	21,112,995	21,948,022	21,700,400	21,792,700
2	9,122,460	9,182,722	9,399,401	10,319,162	10,480,051	9,862,444	9,561,500	9,200,000
3	6,305,869	6,461,225	6,941,120	7,266,413	7,115,988	7,375,620	6,128,700	6,167,000
4	2,838,623	2,993,483	3,110,540	3,193,739	3,250,581	3,381,372	3,411,600	3,427,200
5	2,523,986	2,458,029	2,619,349	2,838,021	3,135,226	3,427,274	3,615,900	3,623,300
6	5,939,963	6,569,721	7,441,770	7,596,160	7,607,461	7,659,729	6,376,500	6,383,900
7	46,622,397	47,712,694	51,836,048	53,074,645	52,702,302	53,654,461	50,794,900	50,594,100
8	1,397,546	1,652,720	1,510,835	1,740,493	1,647,305	1,489,699	1,652,800	1,670,000
9	1,293,731	1,397,945	1,385,568	1,439,771	1,468,150	1,513,083	1,434,200	1,402,300
10	1,818,728	1,699,558	1,691,165	1,666,580	1,917,282	1,707,226	1,265,000	1,269,500
11	6,004,706	7,669,767	6,927,224	8,446,704	9,381,786	10,782,063	10,369,500	10,607,600
12	659,077	920,131	739,695	696,133	813,821	727,799	771,500	864,700
13	925,473	869,991	974,781	1,079,982	4,221,734	3,821,475	1,526,000	865,800
14	58,726,658	61,922,796	65,065,316	68,144,308	72,152,380	73,695,806	67,913,900	67,274,000
15	4,907,443	5,031,136	4,954,021	4,972,944	4,083,168	4,558,100	4,450,500	4,264,000
16	8,492,949	8,390,633	7,614,921	7,964,595	8,168,987	8,220,111	8,735,500	8,634,300
17	1,522,464	1,557,306	1,608,103	1,691,326	1,765,957	1,771,662	1,932,200	2,039,800
18	10,468,992	10,340,006	10,331,989	10,343,768	10,530,736	11,038,504	11,000,900	11,153,600
19	3,809,708	3,805,415	3,823,952	3,906,633	3,860,075	4,044,532	3,905,100	3,968,100
20	2,145,431	5,345,985	313,420	103,990	34,469	1,500,000	1,500,000	1,500,000
21	6,764,784	7,374,812	8,174,923	8,724,361	9,259,437	9,649,005	9,917,100	10,088,400
22	5,046,302	5,058,105	5,176,012	6,367,076	7,392,718	6,393,531	7,313,300	7,056,100
23	15,792,112	16,639,761	17,092,488	21,712,862	29,086,202	18,861,142	17,509,300	16,064,000
24	2,059,311	1,554,922	3,225,831	2,926,403	2,716,809	3,556,700	3,115,600	3,548,000
25	61,034,496	65,093,081	62,315,665	68,713,958	75,898,559	69,593,287	69,379,500	68,316,300
26	238,961	393,458	716,378	633,077	352,620	1,521,019	18,300	14,700
27	-364,021	-25,656	-973	-19,778	-54,659	-1,227	-1,543,700	-1,514,000
28	60,909,436	65,465,883	63,031,070	69,327,257	76,196,519	71,113,079	67,854,100	66,817,000
29	-2,182,778	-3,543,087	+2,034,246	-1,182,949	-4,044,139	+2,582,727	+59,800	+457,000
30	3,809,284	4,791,052	4,381,898	13,095,192	3,656,505	3,311,423	4,844,400	3,820,100

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

DETAILS OF REVENUE, 1871-72 TO 1883-84.

	1871-72.	1872-73.	1873-74.	1874-75.	1875-76.	
PRINCIPAL HEADS OF REVENUE:	£	£	£	£	£	
I.—Land Revenue - - -	20,531,719	21,375,076	21,060,274	21,332,176	21,540,480	1
II.—Opium - - - - -	9,253,859	8,684,791	8,324,879	8,556,629	8,471,425	2
III.—Salt - - - - -	5,967,619	6,167,032	6,152,977	6,229,306	6,245,555	3
IV.—Stamps - - - - -	2,476,333	2,610,025	2,609,936	2,758,042	2,835,368	4
V.—Excise - - - - -	2,370,501	2,324,915	2,287,680	2,347,274	2,494,329	5
VI.—Provincial Rates - -	1,636,635	1,893,798	1,834,532	1,872,938	1,947,255	6
VII.—Customs - - - - -	2,579,437	2,657,878	2,636,450	2,682,233	2,724,426	7
VIII.—Assessed Taxes - -	851,917	601,473	34,483	20,191	14,642	8
IX.—Forest - - - - -	517,664	538,002	630,513	508,367	697,543	9
X.—Registration - - - -	157,958	177,961	182,373	185,169	187,651	10
XI.—Tributes from Native States	744,036	741,465	768,344	724,972	726,188	11
Total - - - £.	47,087,678	47,921,916	46,621,646	47,307,387	47,884,872	12
POST OFFICE, TELEGRAPH, AND MINT:						
XII.—Post Office - - - -	821,003	520,537	688,459	739,819	765,751	13
XIII.—Telegraph - - - -	228,368	249,802	250,638	286,479	309,040	14
XIV.—Mint - - - - -	96,150	54,261	66,544	159,021	110,449	15
Total - - - £.	1,145,521	884,650	1,005,641	1,185,319	1,185,280	16
RECEIPTS BY CIVIL DEPARTMENTS:						
XV.—Law and Justice - - -	558,682	594,695	626,837	606,876	593,805	17
XVI.—Police - - - - -	350,185	235,757	238,538	207,980	234,736	18
XVII.—Marine - - - - -	196,894	208,943	236,332	302,067	229,732	19
XVIII.—Education - - - -	157,333	148,300	150,806	141,431	147,140	20
XIX.—Medical - - - - -	22,943	32,038	33,944	45,575	34,694	21
XX.—Scientific and other Minor Departments.	9,034	20,935	23,524	29,559	47,502	22
Total - - - £.	1,295,071	1,240,808	1,314,381	1,333,288	1,287,669	23
MISCELLANEOUS:						
XXI.—Interest - - - - -	371,477	519,081	467,509	559,416	578,223	24
XXII.—Receipts in aid of Superannuations, &c.	685,503	590,436	701,581	702,881	753,371	25
XXIII.—Stationery and Printing -	17,259	31,732	54,938	50,491	59,135	26
XXIV.—Miscellaneous - - - -	701,795	656,802	1,081,257	1,436,329	1,642,276	27
Total - - - £.	1,776,034	1,798,051	2,305,285	2,749,117	3,033,005	28
REVENUE FROM PRODUCTIVE PUBLIC WORKS:						
XXV.—State Railways (Gross Earnings).	3,766	16,533	39,914	164,265	293,893	29
XXVI.—Guaranteed Railways (Net Traffic Receipts).	1,584,971	1,207,859	1,591,894	1,959,659	2,452,481	30
XXVII.—East Indian Railway (Net Traffic Receipts).	1,607,293	1,656,077	2,024,527	2,171,905	1,807,729	31
XXVIII.—Irrigation and Navigation (Direct Receipts).	330,123	414,287	470,956	475,455	511,705	32
XXIX.—Madras Irrigation and Canal Company (Net Traffic Receipts).	-8,205	-6,585	-10,635	-7,024	-17,765	33
XXX.—Portion of Land Revenue due to Irrigation (e).	-	-	-	-	-	34
Total - - - £.	3,567,947	3,288,171	4,116,656	4,764,850	5,047,543	35
RECEIPTS ON ACCOUNT OF PUBLIC WORKS NOT CLASSED AS PRODUCTIVE:						
XXXI.—State Railways - - - -	-	-	-	-	-	36
XXXII.—Subsidized Railways - -	-	-	-	-	-	37
XXXIII.—Irrigation and Navigation -	98,811	68,523	71,736	60,963	81,009	38
XXXIV.—Military Works (b) - - -	-	16,939	17,303	16,675	16,478	39
XXXV.—Civil Buildings, Roads, and Services.	536,746	525,113	586,622	510,523	505,428	40
Total - - - £.	635,557	610,580	675,661	588,161	602,975	41
RECEIPTS BY MILITARY DEPARTMENTS:						
XXXVI.—Army - - - - -	944,420	906,810	1,011,039	988,838	1,045,612	42
XXXVII.—Military Operations in Afghanistan and Egypt.	-	-	-	-	-	43
Total - - - £.	944,420	906,810	1,011,039	988,838	1,045,612	44
TOTAL REVENUES - - - £.	56,452,228	56,550,986	57,050,309	58,916,960	60,086,956	45

(a) Not separately stated till 1879. (b) The figure for 1871-72 is not stated separately from "Civil Buildings and Roads;" in the next four years the figure for "India, General," alone can be thus separately stated.

Fort William, Department of Finance and Commerce,
15 March 1883.

E. W. Keilmer,
Deputy Comptroller General.

DETAILS OF REVENUE, 1871-72 TO 1883-84.

	1870-77.	1877-78.	1878-79.	1879-80.	1880-81.	1881-82.	Revised Estimate, 1882-83.	Budget Estimate, 1883-84.
	£.	£.	£.	£.	£.	£.	£.	£.
1	19,391,491	20,047,514	22,323,868	21,861,150	21,112,995	21,948,022	21,700,400	21,792,700
2	9,122,460	9,182,722	9,399,401	10,319,162	10,480,051	9,862,444	9,561,800	9,200,000
3	6,305,869	6,461,225	6,941,120	7,266,413	7,115,988	7,375,620	6,128,700	6,167,000
4	2,338,628	2,993,483	3,110,540	3,193,739	3,250,581	3,381,372	3,411,600	3,427,200
5	2,523,986	2,453,029	2,619,349	2,838,021	3,135,226	3,427,274	3,615,900	3,623,300
6	1,930,325	2,255,937	2,638,835	2,882,125	2,776,370	2,895,490	2,668,400	2,688,200
7	2,484,448	2,624,123	2,326,561	2,280,793	2,539,612	2,361,388	1,265,300	1,255,100
8	14,535	101,682	900,920	785,318	553,720	536,829	525,900	523,400
9	616,468	678,699	605,433	676,234	709,320	874,435	921,600	935,800
10	199,253	234,160	266,361	269,239	281,230	284,714	285,400	280,400
11	694,034	675,120	703,660	702,451	742,209	706,873	709,900	701,000
12	46,622,397	47,712,694	51,836,048	53,074,645	52,702,302	53,654,461	50,794,900	50,594,100
13	797,465	850,431	911,806	1,004,372	1,018,653	949,907	979,600	1,010,900
14	341,227	353,430	426,694	505,553	539,087	469,208	521,000	557,100
15	258,854	443,859	172,335	230,569	89,565	70,584	152,200	102,000
16	1,397,546	1,652,720	1,510,835	1,740,493	1,647,305	1,489,699	1,652,800	1,670,000
17	609,033	618,388	647,131	658,902	687,764	677,454	662,000	645,000
18	216,856	255,254	211,108	227,657	241,769	248,005	227,200	226,200
19	233,179	231,538	250,595	258,187	246,519	237,876	211,600	207,100
20	150,056	152,990	147,425	139,414	170,238	189,292	199,800	204,900
21	36,677	37,932	44,332	56,329	43,368	39,507	48,500	48,600
22	52,930	101,793	84,577	99,282	78,492	120,949	85,100	70,500
23	1,298,731	1,397,945	1,385,568	1,439,771	1,468,150	1,513,083	1,434,200	1,402,300
24	542,699	534,243	628,767	748,050	875,679	896,904	688,000	651,000
25	611,205	601,611	667,485	525,141	315,999	356,273	293,300	293,200
26	50,024	35,381	47,096	56,019	62,462	57,811	57,600	57,200
27	614,800	528,323	348,217	337,370	663,143	396,238	326,100	268,100
28	1,818,728	1,699,558	1,691,165	1,666,580	1,917,282	1,707,226	1,365,000	1,269,500
29	406,633	582,077	976,828	1,548,728	2,269,135	2,558,542	2,583,000	2,730,500
30	2,641,762	3,627,968	2,709,996	2,476,347	2,894,653	3,615,479	3,530,000	3,539,000
31	2,445,879	2,965,491	2,491,308	3,095,391	2,739,185	3,261,357	2,845,200	2,907,200
32	513,661	502,981	613,270	703,041	639,144	865,799	884,700	885,400
33	-3,229	-8,750	+8,866	+15,799	-7,650	-8,834	-5,400	-
34	-	-	126,934	602,398	797,319	491,220	532,000	545,500
35	6,004,706	7,669,767	6,927,224	8,446,704	9,381,786	10,782,063	10,369,500	10,607,600
36	-	-	-	-	-	-	123,100	191,900
37	-	-	-	-	-	2,290	3,700	11,000
38	88,809	166,104	168,619	193,067	197,908	191,239	131,900	141,300
39	39,251	39,237	39,554	38,255	36,727	50,298	42,100	39,200
40	531,017	714,790	531,522	464,811	579,186	543,972	470,700	481,300
41	659,077	920,131	739,695	696,133	813,821	727,799	771,500	864,700
42	925,473	869,981	974,781	1,029,483	924,127	1,161,707	986,000	865,800
43	-	-	-	(c) 50,499	(c) 3,297,607	(c) 2,659,768	(d) 540,000	-
44	925,473	869,981	974,781	1,079,982	4,221,734	3,321,475	1,526,000	865,800
45	58,726,658	61,922,796	65,065,316	68,144,308	72,152,380	73,695,806	67,913,900	67,274,000

(c) Afghanistan.

(d) Egypt.

J. Westland,
Comptroller General.

D. Barbour,
Secretary to the Government of India.

DETAILS OF EXPENDITURE, 1871-72 TO 1883-84. - - - -

	1871-72.	1872-73.	1873-74.	1874-75.	1875-76.	
INTEREST :	£.	£.	£.	£.	£.	
1.—Interest on Ordinary Debt, excluding that charged to Productive Public Works.	5,483,518	5,301,669	5,248,820	5,032,487	5,178,108	1
2.—Interest on Deposits - - -	482,781	555,789	541,001	379,694	386,407	2
Total - - -	5,966,299	5,857,458	5,789,821	5,412,181	5,564,515	3
DIRECT DEMANDS ON THE REVENUES :						
3.—Refunds and Drawbacks - - -	287,847	345,234	349,105	368,591	415,212	4
4.—Assignments and Compensations	843,767	886,299	868,175	888,606	894,593	5
Charges in respect of Collection, viz. :—						
5.—Land Revenue - - - - -	2,308,015	2,824,546	2,866,599	2,865,172	2,950,885	6
6.—Opium (including cost of Production).	1,596,646	1,814,268	2,001,280	2,341,546	2,218,565	7
7.—Salt (including cost of Production)	478,244	477,741	479,636	463,714	508,661	8
8.—Stamps - - - - -	103,779	92,101	88,840	125,470	106,436	9
9.—Excise - - - - -	139,589	134,045	98,444	91,916	87,226	10
10.—Provincial Rates - - - - -	11,964	47,958	37,085	41,292	52,735	11
11.—Customs - - - - -	187,287	183,031	186,767	187,124	187,695	12
12.—Assessed Taxes - - - - -	29,976	13,458	2,232	14	10	13
13.—Forest - - - - -	359,451	400,186	403,447	444,021	419,811	14
14.—Registration - - - - -	110,848	117,531	122,039	130,217	136,449	15
Total - - -	6,957,413	7,336,398	7,503,649	7,947,683	7,978,278	16
POST OFFICE, TELEGRAPH, AND MINT :						
15.—Post Office - - - - -	737,103	765,842	883,181	884,467	903,384	17
16.—Telegraph - - - - -	449,911	482,975	411,818	432,030	490,624	18
17.—Mint - - - - -	83,874	86,210	77,647	132,607	107,626	19
Total - - -	1,270,888	1,335,027	1,372,646	1,449,104	1,501,634	20
SALARIES AND EXPENSES OF CIVIL DEPARTMENTS :						
18.—General Administration - - -	1,389,451	1,403,348	1,419,775	1,386,786	1,438,879	21
19.—Law and Justice - - - - -	2,819,738	2,818,426	2,960,811	3,039,334	3,063,800	22
20.—Police - - - - -	2,537,835	2,421,189	2,437,029	2,442,786	2,469,005	23
21.—Marine (including River Navigation).	521,309	510,356	481,139	547,780	579,706	24
22.—Education - - - - -	850,163	880,786	912,479	985,416	1,019,593	25
23.—Ecclesiastical - - - - -	158,192	156,762	163,562	165,551	162,122	26
24.—Medical - - - - -	532,221	593,478	620,486	657,320	670,172	27
25.—Political - - - - -	316,104	392,300	366,756	404,595	430,443	28
26.—Scientific and other Minor Departments.	306,248	398,112	366,869	375,358	398,019	29
Total - - -	9,431,261	9,575,357	9,728,906	10,004,926	10,231,739	30
MISCELLANEOUS CIVIL CHARGES :						
27.—Territorial and Political Pensions	880,743	863,591	988,525	849,762	819,131	31
28.—Civil Furlough and Absentee Allowances.	174,434	157,006	258,942	217,378	229,776	32
29.—Superannuation Allowances and Pensions.	1,505,787	1,626,948	1,576,884	1,831,359	1,989,990	33
30.—Stationery and Printing - - -	297,497	315,900	358,250	427,075	462,513	34
31.—Miscellaneous - - - - -	452,056	694,729	721,745	416,383	804,249	35
Total - - -	3,310,517	3,658,174	3,904,346	3,741,957	4,305,659	36
FAMINE RELIEF AND INSURANCE :						
32.—Famine Relief - - - - -	-	-	3,864,706	2,242,922	601,966	37
33.—Protective Works, Railways - -	-	-	-	-	-	38
34.—Protective Works, Irrigation - -	-	-	-	-	-	39
35.—Reduction of Debt - - - - -	-	-	-	-	-	40
Total - - -	-	-	3,864,706	2,242,922	601,966	41
Carried forward - - - £.	26,936,378	27,762,414	32,164,074	30,798,773	30,183,791	42

The Head "Refunds and Drawbacks" up to 1880-81, inclusive, contained the charges for refunds of "Receipts by Civil

- - - - - DETAILS OF EXPENDITURE, 1871-72 TO 1883-84.

	1876-77.	1877-78.	1878-79.	1879-80.	1880-81.	1881-82.	REVISED ESTIMATE, 1882-83.	BUDGET ESTIMATE, 1883-84.
	£.	£.	£.	£.	£.	£.	£.	£.
1	4,512,722	4,672,450	4,575,069	4,590,482	3,669,195	4,024,116	3,988,100	3,823,600
2	394,721	358,686	378,952	382,462	413,973	533,984	462,400	440,400
3	4,907,443	5,031,136	4,954,021	4,972,944	4,083,168	4,558,100	4,450,500	4,264,000
4	356,795	343,709	406,562	368,606	469,206	272,370	384,200	195,900
5	870,418	825,726	1,023,386	1,115,592	1,215,013	1,194,440	1,241,700	1,246,100
6	2,898,647	2,943,057	2,960,010	2,937,185	2,983,679	3,003,792	3,055,900	3,211,700
7	2,841,647	2,661,266	1,693,730	2,067,492	2,028,757	2,057,335	2,344,900	2,165,300
8	483,987	546,173	404,743	340,687	363,537	486,209	499,400	546,300
9	96,266	102,673	115,452	114,324	107,465	110,623	120,900	103,000
10	91,409	99,350	87,839	111,413	95,404	96,886	95,700	94,400
11	52,130	65,762	64,431	47,866	46,435	53,326	50,900	51,100
12	202,174	207,611	200,417	261,280	198,927	195,110	156,600	143,700
13	919	692	37,617	29,886	21,237	13,074	13,800	14,000
14	458,009	439,938	454,934	465,056	465,976	557,645	586,700	676,500
15	141,458	149,676	160,800	165,208	173,551	179,401	184,800	186,300
16	8,498,949	8,390,633	7,614,921	7,964,595	8,168,987	8,220,111	8,735,500	8,634,300
17	918,736	964,077	1,033,327	1,145,552	1,175,505	1,147,935	1,186,700	1,222,800
18	473,127	461,146	470,790	451,143	497,834	536,201	656,700	741,600
19	130,601	132,083	103,991	94,631	92,618	87,526	88,800	75,400
20	1,522,464	1,557,306	1,608,108	1,691,326	1,765,957	1,771,662	1,932,200	2,039,800
21	1,500,220	1,503,936	1,502,910	1,498,720	1,537,080	1,494,356	1,577,700	1,551,900
22	3,130,832	3,168,434	3,297,064	3,280,822	3,203,613	3,232,741	3,272,700	3,346,700
23	2,512,980	2,483,257	2,419,119	2,495,549	2,524,198	2,553,861	2,631,500	2,708,000
24	650,404	496,592	504,945	488,078	509,681	623,398	545,700	515,400
25	1,004,162	1,003,321	978,254	967,029	998,468	1,078,490	1,133,900	1,200,100
26	163,837	158,039	155,200	156,012	158,638	162,136	163,600	167,600
27	668,627	689,617	669,059	668,746	666,735	683,185	697,700	722,700
28	505,318	469,072	448,793	430,571	531,183	619,346	511,400	442,400
29	352,612	367,738	356,645	358,241	401,140	560,991	466,700	495,800
30	10,488,992	10,340,006	10,331,989	10,343,768	10,530,736	11,038,504	11,001,000	11,153,600
31	802,125	820,367	803,093	699,043	683,760	682,328	688,000	743,400
32	236,949	238,443	232,483	218,151	225,587	222,642	216,500	226,500
33	1,847,824	1,920,077	2,040,163	2,235,547	2,190,612	2,182,327	2,167,000	2,171,300
34	447,365	431,221	456,412	412,024	479,986	565,884	494,400	462,000
35	474,445	386,307	291,796	341,868	280,130	391,351	339,200	364,900
36	3,808,708	3,805,415	3,823,952	3,906,633	3,860,075	4,044,532	3,905,100	3,968,100
37	2,145,431	5,345,985	313,420	103,990	34,469	34,849	25,600	12,500
38	-	-	-	-	-	614,551	127,100	1,012,500
39	-	-	-	-	-	135,449	271,300	343,300
40	-	-	-	-	-	715,151	1,330,200	131,700
41	2,145,431	5,345,985	313,420	103,990	34,469	1,500,000	1,500,000	1,500,000
42	31,371,987	34,470,481	28,646,411	28,983,256	28,443,392	31,132,909	31,524,200	31,559,800

Departments," and of " Miscellaneous Receipts," as well as for refunds of Receipts under the " Principal Heads of Revenue."

DETAILS OF EXPENDITURE, 1871-72 TO 1883-84—continued.

	1871-72.	1872-73.	1873-74.	1874-75.	1875-76.	
	£.	£.	£.	£.	£.	
Brought forward . . .	26,930,378	27,762,414	32,164,074	30,792,773	30,183,701	
EXPENDITURE ON PRODUCTIVE PUBLIC WORKS (REVENUE ACCOUNT):						
30.—State Railways (Working and Maintenance).	7,829	11,171	52,718	127,197	241,023	1
37.—Guaranteed and Subsidized Railways (Interest and Profits, &c.) (a).	3,138,399	3,260,467	3,269,276	3,214,102	3,325,543	2
34.—East Indian Railway (Interest and Profits, &c.) (a) (b).	1,524,581	1,578,286	1,584,061	1,877,034	1,603,074	3
33.—Irrigation and Navigation (Working and Maintenance).	234,900	541,082	500,137	568,978	511,072	4
40.—Madras Irrigation and Canal Company (Interest, &c.)	51,201	50,947	50,098	50,512	50,509	5
41.—Interest on Debt incurred for Productive Public Works (c):						
Railways	-	-	-	-	-	6
Irrigation	-	-	-	-	-	7
Miscellaneous Public Improvements.	-	-	-	-	-	8
Total	4,956,994	5,450,953	5,547,790	5,837,913	5,732,115	9
EXPENDITURE ON PUBLIC WORKS NOT CLASSED AS PRODUCTIVE:						
42.—State Railways, Capital Account	2,816	10,833	26,436	97,879	21,228	10
43.—State Railways, Working and Maintenance.	-	-	-	-	-	11
44.—Subsidized Railways	-	-	-	-	-	12
45.—Frontier Railways	-	-	-	-	-	13
46.—Irrigation and Navigation	418,413	366,701	271,007	383,935	615,481	14
47.—Military Works	978,421	1,146,558	1,122,000	1,185,926	1,337,738	15
48.—Civil Buildings, Roads and Services.	3,402,088	3,342,440	4,079,809	4,203,382	4,298,018	16
Total	4,832,340	4,885,628	5,500,302	5,961,122	6,272,465	17
ARMY SERVICES:						
49.—Army	15,078,112	15,503,612	15,228,429	15,375,159	15,308,460	18
50.—Military Operations in Afghanistan and Egypt.	-	-	-	-	-	19
Total	15,078,112	15,503,612	15,228,429	15,375,159	15,308,460	20
EXCHANGE ON TRANSACTIONS WITH LONDON—(XXXVIII. and 51).						
	433,095	694,846	882,718	785,820	1,355,861	21
Total	52,836,919	54,297,453	59,323,313	58,758,787	58,852,692	22
EXPENDITURE ON PRODUCTIVE PUBLIC WORKS (CAPITAL ACCOUNT):						
52.—State Railways	644,620	1,413,619	2,354,625	3,014,180	3,165,184	23
53.—East Indian Railway	-	-	-	-	-	24
54.—Irrigation and Navigation	983,854	770,920	1,108,682	1,235,391	1,105,445	25
Madras Irrigation and Canal Company's Undertaking.	-	-	-	-	-	26
55.—Miscellaneous Public Improvements.	-	-	-	-	-	27
Total	1,628,474	2,184,569	3,553,307	4,249,571	4,270,629	28

(a) The figures include "Land and Control" about 50,000 l. a year. The East Indian Railway portion of "Land and Control" was 10,000 l. a year. The East Indian Railway became a State Railway on 1st January 1880. The figures before 1879-80, as also (c) Not stated separately till 1876-77.

- - DETAILS OF EXPENDITURE, 1871-72 to 1883-84—continued.

	1876-77.	1877-78.	1878-79.	1879-80.	1880-81.	1881-82.	REVISED ESTIMATE, 1882-83.	BUDGET ESTIMATE, 1883-84.
	£.	£.	£.	£.	£.	£.	£.	£.
	31,371,087	34,470,481	28,646,411	28,983,256	28,443,392	31,132,909	31,524,200	31,559,800
1	290,464	431,010	734,377	1,215,231	1,607,528	1,686,392	1,532,600	1,572,800
2	3,295,362	3,441,428	3,525,965	3,393,601	3,411,753	3,678,754	3,846,400	3,884,500
3	1,686,311	2,013,252	2,074,639	2,068,269	1,382,275	1,438,703	1,464,500	1,396,000
4	537,231	370,847	381,550	414,601	425,473	455,635	526,400	549,300
5	50,483	50,335	50,568	50,455	50,538	50,496	25,000	—
6	528,737	665,754	913,512	1,048,700	1,602,029	1,594,687	1,716,100	1,810,500
7	367,196	402,186	488,476	519,830	762,770	726,386	785,900	853,700
8	-	-	5,836	13,584	17,071	17,952	20,200	21,600
9	6,764,784	7,374,812	8,174,923	8,724,361	9,259,437	9,649,005	9,917,100	10,088,400
10	41,777	66,329	226,846	471,410	77,003	247,673	498,900	510,400
11	-	-	-	-	-	-	147,000	184,800
12	-	-	-	-	-	17,527	103,800	185,700
13	-	-	-	1,334,350	2,293,615	224,682	281,500	67,500
14	441,277	757,759	630,919	668,907	709,103	789,933	919,900	804,000
15	1,202,322	1,153,929	1,190,528	966,297	969,168	1,070,546	1,000,000	1,090,000
16	3,360,926	3,080,028	3,127,719	2,926,112	3,343,829	4,043,170	4,422,200	4,303,700
17	5,046,302	5,058,105	5,176,012	6,367,076	7,392,718	6,393,531	7,313,300	7,056,100
18	15,792,112	16,639,761	17,092,488	16,896,239	16,717,713	17,216,215	16,172,100	16,064,000
19	-	-	-	(d)4,816,623	(d)11,368,489	(d)1,644,927	(e)1,337,200	-
20	15,792,112	16,639,761	17,092,488	21,712,862	28,086,202	18,861,142	17,509,300	16,064,000
21	2,059,311	1,554,922	3,225,831	2,926,403	2,716,809	3,556,700	3,115,600	3,548,000
22	61,034,496	65,098,081	62,315,665	68,713,958	75,898,558	69,593,287	69,379,500	68,316,300
23	2,865,861	3,984,968	3,327,888	2,680,493	2,553,620	1,635,151	1,674,400	2,395,000
24	-	-	-	9,730,862	418,435	1,041,562	713,200	424,000
25	943,423	806,084	794,654	598,837	614,450	565,804	649,100	978,100
26	-	-	-	-	-	-	-	-
27	-	-	259,356	85,000	70,000	68,906	1,763,500 44,200	23,000
28	3,809,284	4,791,052	4,381,898	13,095,192	3,656,505	3,311,423	4,844,400	3,820,100

and Control" was not stated separately till 1877-78; and before that year is placed against "Guaranteed Railways," 2,033,872 l. of that year, 266,056 l. of 1880-81, and 1,093 l. of 1881-82, belong to the "Guaranteed" Contract.

(d) Afghanistan.

(e) Egypt.

J. Westland, Comptroller General.

D. Barbour,
Secretary to the Government of India.

APPENDIX IV.

MEMORANDUM ON PROVINCIAL AND LOCAL SURPLUSES AND
DEFICITS.

FINANCIAL STATEMENT OF THE

APPENDIX IV.

MEMORANDUM ON PROVINCIAL and LOCAL SURPLUSES and DEFICITS.

I OBSERVE, both from the Debate in the House of Commons on the Indian Financial Statement, and from the comments in the English and Indian Press, that some difficulty is experienced in fully understanding the adjusting entries which appear in the Indian Accounts and Estimates of Revenue and Expenditure under the head of "Provincial and Local Surpluses and Deficits." This is no matter for surprise, for the entries represent, in fact, transactions which are somewhat complicated, and which it is, not unnaturally, difficult for any one not thoroughly conversant with all the details of the Indian financial system to understand fully.

The following illustration may, perhaps, serve to place the matter in a clear and intelligible light:—

A. has three sons, B., C., and D. A., B., C., and D., keep their balances with one banker, and the whole are merged in one account standing in A.'s name. On 1st January 1882, the total balance standing to A.'s credit was 200,000 £, which was divided thus:—

Belonging to A.	-	-	-	-	-	-	-	-	-	£.	100,000
" B.	-	-	-	-	-	-	-	-	-		50,000
" C.	-	-	-	-	-	-	-	-	-		30,000
" D.	-	-	-	-	-	-	-	-	-		20,000
TOTAL										£.	200,000

A. estimates his total income for 1882 at 120,000 £. His expenditure he estimates as follows:—

A.'s personal expenditure	-	-	-	-	-	-	-	-	-	£.	50,000
Allowance granted by A. to B.	-	-	-	-	-	-	-	-	-		25,000
Ditto A. to C.	-	-	-	-	-	-	-	-	-		15,000
Ditto A. to D.	-	-	-	-	-	-	-	-	-		10,000
Leaving a surplus belonging to A. of	-	-	-	-	-	-	-	-	-		20,000
TOTAL										£.	120,000

On 1st January 1882, B. gives A. notice that, besides spending his allowance for the year (25,000 £), he wishes to draw on his balance of 50,000 £. to the extent of 10,000 £.

C. at the same time gives notice that during the year he will spend exactly the amount of his allowance, and will neither draw on his balance of 30,000 £, nor increase it during the year.

D. at the same time gives notice that during the year he will only spend 9,000 £. out of his allowance of 10,000 £, thus increasing his balance, which stood on 1st January 1882 at 20,000 £, by 1,000 £.

The joint Revenue and Expenditure Account of A., B., C., and D. for the year will, therefore, stand thus:—

REVENUE.		EXPENDITURE.		
	£.		£.	£.
A.'s income	120,000	A.'s personal expenditure	-	50,000
		B.'s expenditure:—		
		Allowance for the year	25,000	
		Add drawn from balance	10,000	
				35,000
		C.'s expenditure	-	15,000
		D.'s expenditure:—		
		Allowance for the year	10,000	
		Deduct saving during the year	1,000	9,000
		Surplus	-	11,000
				£. 120,000

And the joint cash account of A., B., C., and D., will stand thus :—

<i>Cr.</i>		<i>Dr.</i>	
Balance on 1st January 1882	£. 200,000	Expenditure during 1882 :—	
A.'s income for 1882	120,000	£.	
		A. - - - - -	50,000
		B. - - - - -	35,000
		C. - - - - -	15,000
		D. - - - - -	9,000
		Balance on 31st December 1882—	109,000
	£. 320,000		211,000
			£. 320,000

It is clear that the Revenue and Expenditure Account given above does not accurately represent the result of the year's finance to A. considered by himself. A. is to receive altogether 120,000 l. during the year, of which he has alienated 50,000 l. to B., C., and D., leaving 70,000 l. for his own expenditure. As a matter of fact, he only intends to spend 50,000 l. during the year, thus leaving himself a surplus of 20,000 l., and not of 11,000 l., as shown above. The difference of 9,000 l. arises from the following facts :— (1.) That on the expenditure side of the account a sum of 10,000 l. appears, being the amount in excess of his allowance (25,000 l.) which B. proposes to expend in the year; and, (2.) That on the revenue side of the account full provision is made for the annual grant of 10,000 l. to D., whereas on the expenditure side of the account provision is only made for an expenditure of 9,000 l. on the part of D. If, therefore, we wish to arrive at a knowledge of A.'s surplus for the year, we must add to the 11,000 l. given above the amount of 10,000 l. by which B. has drawn on his balance, and we must deduct 1,000 l., being the amount by which D.'s expenditure (9,000 l.) for the year is less than his annual income (10,000 l.). This sum of 1,000 l. really constitutes a debt due by A. to D. When these adjustments have been made, we arrive at A.'s true surplus, thus :—

Surplus as shown above	£.	£. 11,000
Add expenditure of B. in excess of annual grant	10,000	
Deduct amount by which D.'s revenue is in excess of his annual income, 1,000		
<i>Total addition</i>		9,000
A.'s surplus	£.	20,000

Turning to the cash account given above, it is clear that, regarding the joint accounts of A., B., C., and D. together, the balance during the year has been increased by 11,000 l., viz., from 200,000 l. to 211,000 l. But the distribution of the balance at the close of the year between A., B., C., and D., will be different to what it was at the commencement. A.'s and D.'s balances will have increased, as they will have spent, the former 20,000 l., and the latter 1,000 l., less than their income for the year. B.'s balance will be reduced, as he will have spent 10,000 l. more than his annual income. C.'s balance will have remained unchanged, as he will have spent the exact amount of his annual income. I will presently show how the balance of each will stand.

Now, A. is under an obligation to produce a revenue and expenditure account for the year, which shall show (1.) The total amount he receives, including the grants made, or, which is the same thing, the revenues alienated to B., C., and D.; and, (2.) The total amount of expenditure incurred by A., B., C., and D. It is also necessary to show in this account the net result of the year's finance to A. only, who is the most important partner in the concern, leaving the net results of the year's finance to B., C., and D. to be shown in separate accounts.

This object is effected by compiling the Account in the following manner :—

REVENUE.		EXPENDITURE.	
£.	£.	£.	£.
A. - - - - -	70,000	A. - - - - -	50,000
B. - - - - -	25,000	B. - - - - -	35,000
C. - - - - -	15,000	C. - - - - -	15,000
D. - - - - -	10,000	D. - - - - -	9,000
	120,000		109,000
		Deduct the amount by which B. has exceeded his income for the year, i.e., B.'s deficit	10,000
		Add the amount by which D.'s income for the year has exceeded his expenditure, i.e., D.'s surplus	1,000
		<i>Total Deduction</i>	9,000
		Leaving A.'s expenditure, inclusive of the grants made during the year to B., C., and D.	100,000
		A.'s surplus is, therefore	20,000
			£. 120,000

FINANCIAL STATEMENT OF THE

Turning to the Cash Account, the joint balance will, as I have already shown, be increased during the year from 200,000*l.* to 211,000*l.* The separate Accounts will stand thus:—

A.'s CASH ACCOUNT.				
<i>Cr.</i>			<i>Dr.</i>	
Balance, 1st January 1882 - - -	£.	100,000	Expenditure, 1882 - - -	£.
Revenue, 1882 - - -	70,000		Balance, 31st December 1882 - - -	120,000
	£.	170,000		£.
				170,000

B.'s CASH ACCOUNT.				
<i>Cr.</i>			<i>Dr.</i>	
Balance, 1st January 1882 - - -	£.	50,000	Expenditure, 1882 - - -	£.
Revenue, 1882 - - -	25,000		Balance, 31st December 1882 - - -	40,000
	£.	75,000		£.
				75,000

C.'s CASH ACCOUNT.				
<i>Cr.</i>			<i>Dr.</i>	
Balance, 1st January 1882 - - -	£.	30,000	Expenditure, 1882 - - -	£.
Revenue, 1882 - - -	15,000		Balance, 31st December 1882 - - -	30,000
	£.	45,000		£.
				45,000

D.'s CASH ACCOUNT.				
<i>Cr.</i>			<i>Dr.</i>	
Balance, 1st January 1882 - - -	£.	20,000	Expenditure, 1882 - - -	£.
Revenue, 1882 - - -	10,000		Balance, 31st December 1882 - - -	21,000
	£.	30,000		£.
				30,000

If A. be regarded as the Government of India, B., C., and D. as the Provincial Governments, B.'s deficit of 10,000*l.* as the entry "Provincial and Local Deficits," and D.'s surplus of 1,000*l.* as the entry "Provincial and Local Surpluses," a correct idea will be gained of the precise nature of the adjusting entries which appear in the Accounts and Estimates of the Government of India under the head of "Provincial and Local Surpluses and Deficits."

1 March 1883.

E. Baring.

APPENDIX V.

TRADE.

	PAGE.
Exports and Imports from 1st April to 31st January 1881-82 and 1882-83 - - - -	98
Import of Articles exempted from Customs Duty by Act XI. of 1882 - - - -	98
Memorandum on the Import of Government Stores - - - -	100

APPENDIX V.

TRADE.

£. 1 = R. 10.

	From 1st April to 31st January	
	1881-82.	1882-83.
IMPORTS:	£.	£.
Private Merchandise - - - - -	39,169,484	41,945,202
Government Stores - - - - -	1,806,552	1,744,747
TOTAL Merchandise - - -	40,976,036	43,689,949
Treasure, private - - - - -	7,987,135	12,038,557
TOTAL Imports - - - £.	48,963,171	55,728,506
EXPORTS:		
Private Merchandise - - - - -	64,445,283	65,770,066
Government Stores - - - - -	55,343	73,238
TOTAL Merchandise - - -	64,500,626	65,843,304
Treasure, private - - - - -	923,140	740,235
" Government - - - - -	2,360	54,400
TOTAL Exports - - - £.	65,426,126	66,687,939
SURPLUS of EXPORTS of Merchandise - - - - -	23,524,590	22,153,355
" IMPORTS of Treasure - - - - -	7,061,635	11,193,922
Net Surplus of Exports - - - £.	16,462,955	10,959,433
SECRETARY of STATE'S BILLS paid from 1st April to 31st January -	17,381,100	12,804,500

STATEMENT showing the QUANTITIES and VALUE of Articles IMPORTED into *British India* (from Foreign Countries) which were EXEMPTED FROM CUSTOMS DUTY by the Indian Tariff Act XI. of 1882, for the Ten Months ending 31st January 1882-83, compared with the corresponding period of the Year 1881-82.

ARTICLES.	Ten Months ending January 1881-82.		Ten Months ending January 1882-83.		Increase or Decrease per Cent. in 1882-83.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Apparel, &c. - - - - - <i>val.</i>	-	<i>Rs.</i> 54,42,523	-	<i>Rs.</i> 65,01,404	-	+ 19-46
Caoutchouc manufactures - - - - - "	-	1,56,838	-	1,76,674	-	+ 12-65
Chinese and Japanese ware, &c. - - - - - "	-	3,26,141	-	3,23,593	-	- 0-78
Clocks and watches - - - - - <i>No.</i>	58,266	6,67,164	63,894	7,73,612	+ 9-66	+ 15-96
Corals, real - - - - - <i>lbs.</i>	122,218	14,74,285	132,994	16,75,010	+ 8-82	+ 13-62
Corks - - - - - <i>cwt.</i>	1,399	2,13,304	1,331	1,98,158	- 4-86	- 7-10
Cotton, twist and yarn - - - - - <i>lbs.</i>	34,324,676	2,70,62,119	38,302,151	2,90,93,069	+ 11-59	+ 7-50
" piece-goods, grey - - - - - <i>yds.</i>	910,220,670	10,64,30,612	927,742,341	10,85,62,460	+ 1-92	+ 2-00
" " white - - - - - "	227,472,742	2,99,26,541	185,738,511	2,66,70,356	- 18-35	- 10-88
" " coloured, &c. - - - - - "	209,597,884	3,25,78,305	271,233,838	4,21,79,890	+ 29-43	+ 29-47
" " other sorts - - - - - <i>val.</i>	-	12,89,448	-	18,01,640	-	+ 39-72
" thread, sewing - - - - - <i>lbs.</i>	536,431	7,50,852	736,572	9,40,811	+ 37-31	+ 25-30
" other sorts of manufactures - <i>val.</i>	-	10,17,178	-	12,13,954	-	+ 19-35
Drugs and medicines - - - - - "	-	32,05,220	-	33,16,856	-	+ 3-48

STATEMENT showing the Quantities and Value of Articles Imported into *British India*—continued.

ARTICLES.	Ten Months ending January 1881-82.		Ten Months ending January 1882-83.		Increase or Decrease per Cent. in 1882-83.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Dyeing and colouring materials - - <i>val.</i>	-	Rs. 14,09,044	-	Rs. 16,43,788	-	+ 16.66
Earthenware and porcelain - - - "	-	12,92,524	-	13,53,642	-	+ 4.73
Fireworks - - - - - "	-	4,23,771	-	5,51,116	-	+ 30.05
Glass - - - - - "	-	37,97,484	-	40,08,198	-	+ 5.55
Gums and resins - - - - <i>cwt.</i>	85,570	12,02,509	75,719	10,15,801	- 11.51	- 15.53
Hardware and cutlery, &c. - - - <i>val.</i>	-	51,32,044	-	63,06,018	-	+ 22.88
Instruments and apparatus - - - "	-	11,15,780	-	12,21,156	-	+ 9.44
Ivory - - - - - "	-	17,76,039	-	17,53,543	-	- 1.27
Jewellery - - - - - "	-	5,09,721	-	11,35,962	-	+ 122.86
Plate - - - - - "	-	71,830	-	69,916	-	- 2.66
Matches, lucifer and other - - - "	-	11,40,934	-	14,43,364	-	+ 26.51
Metals, brass - - - - - <i>cwt.</i>	7,922	4,49,351	10,658	5,72,089	+ 34.54	+ 27.31
" copper - - - - - "	282,383	1,22,42,027	372,927	1,60,38,481	+ 32.07	+ 31.01
" iron - - - - - "	1,956,990	1,12,35,125	2,624,664	1,54,58,542	+ 34.12	+ 37.58
" lead - - - - - "	54,772	7,73,225	60,567	8,19,712	+ 10.58	+ 6.01
" quicksilver - - - - <i>lbs.</i>	94,546	1,02,467	330,368	3,46,586	+ 249.43	+ 238.24
" steel - - - - - <i>cwt.</i>	137,939	10,46,326	156,273	12,04,113	+ 13.29	+ 15.08
" tin - - - - - "	22,975	14,16,185	36,731	23,98,275	+ 59.87	+ 69.35
" zinc, &c. - - - - - "	111,665	11,16,744	116,132	11,36,853	+ 4.00	+ 1.80
" unenumerated - - - - - "	3,620	2,67,685	4,559	3,00,378	+ 25.94	+ 12.21
Paints and colours - - - - - <i>val.</i>	-	17,28,259	-	19,59,692	-	+ 13.39
Pasteboard, millboard, &c. - - - <i>cwt.</i>	3,913	33,544	2,849	30,968	- 27.19	- 7.68
Perfumery - - - - - <i>vgl.</i>	-	411,741	-	4,77,091	-	+ 15.87
Provisions - - - - - "	-	89,43,077	-	92,52,517	-	+ 3.46
Shells and Cowries - - - - - "	-	3,41,579	-	4,13,964	-	+ 21.19
Silk, raw - - - - - <i>lbs.</i>	1,527,907	64,76,635	2,197,135	98,62,079	+ 43.80	+ 52.28
" manufactures, thread, sewing - "	1,511	14,948	2,493	25,505	+ 64.99	+ 70.62
" " piece goods - - <i>yds.</i>	9,683,341	1,00,86,934	7,237,675	75,76,101	- 25.26	- 24.89
" " goods of silk, mixed, &c. - "	1,286,830	8,98,894	956,274	6,68,276	- 25.69	- 25.66
" " other sorts - - <i>lbs.</i>	1,458	6,927	809	6,163	- 44.51	- 11.03
Spices - - - - - "	29,538,310	42,50,166	28,503,391	44,14,709	- 3.50	+ 3.87
Stationery - - - - - <i>val.</i>	-	11,19,045	-	12,55,399	-	+ 12.18
Sugar, refined, &c. - - - - - <i>cwt.</i>	666,587	1,07,04,591	519,367	84,07,105	- 22.09	- 21.40
Sugar, unrefined, &c. - - - - - "	3,392	15,168	3,147	12,748	- 7.22	- 15.95
Tea - - - - - <i>lbs.</i>	2,393,413	17,10,001	2,027,119	14,92,445	- 15.30	- 12.72
Tobacco - - - - - "	1,146,803	5,19,900	1,316,350	7,10,332	+ 14.70	+ 36.63
Toys - - - - - <i>val.</i>	-	8,79,488	-	9,11,342	-	+ 3.62
Umbrellas - - - - - <i>No.</i>	2,361,122	16,58,759	2,708,598	18,67,341	+ 14.72	+ 12.57
Wool manufactures, piece goods - - <i>yds.</i>	8,209,341	84,97,119	6,043,100	67,68,337	- 26.39	- 20.35
" " shawls - - - <i>No.</i>	384,586	7,49,207	345,374	7,84,277	- 10.20	+ 4.68
" " braids - - - <i>lbs.</i>	193,492	3,91,642	210,686	4,01,482	+ 8.89	+ 2.51
" " other sorts - - - "	582,651	6,43,480	678,865	6,69,424	+ 16.51	+ 4.03

FINANCIAL STATEMENT OF THE

MEMORANDUM on the Import of Government Stores from Europe.*

1. As regards Government stores, the returns for the 10 months ending 31st January 1883, compared with the corresponding period of the year 1881-82, show reductions, to a greater or less extent, in the following articles:—

Apparel.	Malt liquor.
Carrriages and carts.	Machinery and mill-work.
Drugs and medicines.	Railway plant and rolling-stock.
Hardware and cutlery.	Parts of ships.
Instruments and apparatus.	Woollen piece-goods.
Leather and leather-goods (boots, shoes, &c.)	

In malt liquor and leather and woollen goods the reductions are particularly noticeable. In these cases and in all the others above mentioned, except machinery and railway material, the reductions are certainly due to the substitution of Indian goods of similar kinds for articles heretofore imported from Europe.

2. On the other hand, there have been increases, more or less large, in the following articles:—

Arms and ammunition and military stores.	Flax goods (canvas, &c.).
Chemical products.	Spirits and wines.
Coal.	Metals of all kinds.
Cotton piece-goods.	Paper and stationery.
	Telegraph materials.

With the exception of paper and stationery, these are either goods of a class not now made in the country, or they are required at places where Indian goods cannot be laid down as cheaply as imported goods. For instance, English coal is cheaper at Kurrachee than Indian coal. The cotton piece-goods imported are generally of a kind not yet made in India.

3. The increase in paper and stationery is more apparent than real. The superintendent of stationery for two or three years bought his paper and stationery in the market under orders from the Government of India, and his purchases appeared during that time under the head of general trade, not under Government stores. This practice having been stopped, and paper and stationery now coming from the Store Department of the India Office, the European supplies of the Stationery Office now appear under Government Stores. Some progress is being made in the manufacture of paper in India, but it has, as yet, unfortunately, been only found possible to make the coarser kinds of paper used by the Government.

4. The total of the whole imports of Government stores for the 10 months compared with the corresponding period of 1881-82 show a reduction of from 1,806,552 *l.* to 1,744,747 *l.* or 61,805 *l.* Some gradual progress is thus being made in the direction of substituting Indian-made articles for those of English manufacture; but it will not be possible to make any very sensible impression upon the total amount of stores imported from England, until iron work and machinery, equal in quality and not superior in price to the English articles, can be manufactured in India.

1st March 1883.

E. Baring.

* On this subject see also General Wilson's Minute (Appendix VI., p. 101).

APPENDIX VI.

THE MILITARY BUDGET ESTIMATES, 1883-84.

MINUTE by the Honourable Lieutenant-General *T. F. Wilson*, C.B.

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THE estimated net cost of the Army in India for the financial year 1883-84 is 11,194,000 *l.*, being 95,700 *l.* less than what it was for the current year.

In the face of the reductions carried out in the Native Army last year, this result may at first appear disappointing, but examination of the different items will remove this idea, and show that there is no cause for other feeling than that of satisfaction with the accounts generally.

In considering the subject, it must be kept prominently in view that, although a large reduction in the number of regiments was made during the past year, still no reduction in the total number of fighting men was effected. On the contrary, the reverse is the case; for, while the number of corps was reduced, the strength of those to be maintained was increased; infantry from 712 to 832 of all ranks in each of the corps, other than the five Goorkha regiments, which, with the sanction of the Secretary of State, are maintained at an extra strength of 912 of all ranks; and Cavalry from 457 to 550, with the exception of the Madras Cavalry, which remains unchanged.

Thus the total establishment of the three Native Armies in India is 111,411, or 436 men in excess of what it was before the reduction of the regiments took place.

The previously existing total number of British officers has been maintained much as before, by the addition of one to each regiment of Cavalry and Infantry, whereby only ten regimental officers, excluding medical officers, have been reduced.

Thus the changes have resulted in a very small reduction in the strength of officers, and a material increase in the aggregate numbers of the rank and file of the regiments retained, while a large saving, estimated altogether at 103,183 *l.*, has been effected. As foretold last year, however, a considerable portion of these savings has been absorbed by the payment of gratuities, compensation, and pensions to officers and men of the corps reduced. The compensation and gratuities have been paid, and there will be no further claims to meet on this account; but the pensionary charges have been largely increased. This abnormal charge will gradually be reduced as the pensioners decrease; still, for some years to come there will undoubtedly be a large sum needed to meet the item No. 18, "Military Pensions."

The economical effects of the reforms carried out would have been more apparent, but for two accidental and not to be foreseen circumstances.

The first refers to the settlement between the India Office and the War Office for non-effective charges, which have gradually fallen into arrear, with the result that the Secretary of State has now decided to pay off the amount due by spreading the payment of it over a number of years, commencing with an instalment of 100,000 *l.* as a first annual payment.

Secondly, a large increase has been required to Grant No. 10, consequent upon the unpleasant discovery that for some time past the ammunition factory at Kirkee has been turning out imperfect ammunition, large quantities of which have been condemned, and to meet the loss we have had to materially increase the outturn of the ammunition factories in order to complete the reserves.

Thus, had it not been for the arrears due to the War Office, and the defects discovered in the ammunition manufactured at Kirkee, a much larger saving would have been exhibited; a saving which has been effected in conjunction with changes resulting in increased efficiency and strength.

There has been no change in the number of regiments and batteries on the establishment of the British troops in India, but there is a trifling increase in the total strength of men.

Going further into detail, I would observe that in Grant No. 5, "Remount and Cattle Supplies and Service," there is an increase of 59,196 *l.* This is due to the unusually large number of horses required to meet annual waste and complete the reserve, an exceptionally small number of remounts having been purchased during the current financial year. We were too sanguine last year, and should have bought more horses, but it was a fault on the right side, and the keep of these extra horses for the better part of a year has been saved.

There is also an increase in Grant No. 6, "Clothing." This is caused by the provision of a large sum (16,300 *l.*) which will become due to Messrs. Cooper and Allen, local contractors, for their first supply of country-made boots for the Army. This payment will, however, cause a corresponding decrease in the home charges.

Grants 3 and 9, "Regimental Pay, Allowances and Charges," and "Medical Establishment, Service and Supplies," must be considered together, because, while the former shows a decrease of very nearly 255,000 *l.*, the latter records an increase of 70,467 *l.*, the saving on both Grants combined being 184,519 *l.*, a result mainly due to the reduction of regiments and establishments and the Army Medical Department. The complete

complete introduction of the station hospitals in place of the regimental hospitals has also contributed to this very large decrease in military expenditure.

Under the head of Grant 10, "Ordnance Establishment, Stores and Camp Equipage," there is an increase which is accounted for by the necessity for replacing the faulty ammunition manufactured at Kirkee, and to which reference has already been made. There is also an increase of 11,000 £ for camp equipage in Bengal and Madras. In Madras, however, the increased charges for camp equipage are counterbalanced by the abolition of the depôt at Nagpore, and reductions in the Gunpowder Factory at Madras, and the depôt at the Mount. The increase includes 5,800 £ provided for the purchase, in the local market, of canvas for the Ordnance Department, Bombay. There will be a corresponding decrease in the home indent.

The excess over last year's Budget Estimate in Grant 13, "Sea Transport Charges," is chiefly due to an increase of 5,800 £ in the charges for the Indian troop-ing service, the Estimate for 1882-83 having proved too low.

The saving in Grant 4, "Miscellaneous Services," would have been larger but for the necessity which has arisen for providing for a camp of exercise at Bangalore; a measure which has been strongly urged upon the Government of India by the local Commander in Chief and the Commander in Chief in India, it being considered very desirable to give the Madras Army the advantage of instruction in field duties, and some of the more important operations which would devolve upon officers, soldiers, and departments under the conditions of war.

In Grant No. 15, "Volunteers," provision is made for the additional sum of 3,362 £. This increase is a welcome one, being rendered necessary by the considerable increase to the number of volunteers in India which has taken place during the past year.

Under the head of Grant 17, "Retired Officers," there is a small increase made in order to provide for the possible payment to officers in India of commuted pensions. But it must be remembered that, whilst this increases expenditure in India, it proportionably decreases home charges.

Grant No. 18, "Military Pensions," exhibits increased expenditure. This is on account of pensions due to the Afghan war, and the recent large reductions in the native army.

Such, briefly, are the principal variations in the items of military expenditure in India, the net decrease on the whole being, as compared with the Estimates of last year, 95,700 £.

Efforts to reduce military expenditure in India have not been confined to the native army. The number of siege guns to be maintained has been reduced by 45 pieces, with a corresponding reduction of 179 bullocks required for their transport. The ordnance depôts at Peshawar, Belgaum, and Nagpore have been abolished, while large reductions have been effected in the depôt at St. Thomas's Mount, Madras.

In the explanation relative to military expenditure in India which I gave last year, I referred to the intention to immediately extend to the other presidencies the station hospital system, by means of which one British hospital takes the place of several in a cantonment. This measure, which has been found to work admirably, has, during the past year, been further developed, with the result that the Army Medical Department has been further reduced, the strength in officers being now 300 as compared with the old establishment of 373 officers, exclusive, in both cases, of the administrative grades.

The Subordinate Medical Department has also been reduced by ten assistant apothecaries, and there are other contemplated changes which are calculated to further reduce expenditure; but their financial effects cannot, at present, be estimated. Reductions in the same direction will follow in the Bombay and Madras establishments.

The married establishment of British soldiers has been fixed at—

Warrant Officers	-	-	-	-	-	-	-	-	All.
Non-commissioned officers	-	-	-	-	-	-	-	-	All.
Royal Artillery	-	-	-	-	-	-	-	-	} Eight per cent for five years, then 6 per cent.
Infantry	-	-	-	-	-	-	-	-	

A considerable portion of the reduction on this account has already taken place.

The estimate provides for the following sanctioned changes:—

- (a.) Increase in the establishment of non-commissioned officers in heavy and field batteries.
- (b.) Grant to quartermasters and riding masters of British troops of the increased allowance due to the changes in their relative rank.
- (c.) Improvement in the position of the native non-commissioned officers by the grant to them of good-conduct pay.
- (d.) Formation of two army hospital corps for Madras and Bombay, similar to the one adopted in Bengal, and the appointment of an apothecary to supervise the detailed administration of the Bengal army hospital corps.
- (e.) A considerable increase in the amount of practice ammunition for all the troops, European and native.

In addition to the above, the new transport scheme, which has been fairly started in all three presidencies, has been provided for.

FINANCIAL STATEMENT OF THE

The late war in Afganistan forcibly brought to light many imperfections in our old system of transport, with its attendant enormous expenditure consequent on the want of a proper organisation during a period of peace, and incapability of rapid expansion when war took place. For some time past this subject has been under the consideration of the Government, and during the past summer the Secretary of State has sanctioned proposals which provide for the equipment of the troops protecting the various frontiers with half transport on service scale, also for certain forces which will be held ready for local service or dispatch to a distinct point, the approximate numbers of which are in all 46,000 men.

Under this scheme the country is divided into circles, each with a depôt centre, where a certain amount of transport is to be kept on a peace footing, capable of expansion in time of war. Training depôts are provided for at the largest stations in India, where detachments will be sent, so that officers and men may go through a course of transport training.

Power is given to mobilise forces as follows within the provincial areas:—

	Men.
Punjab - - - - -	10,000
Bengal - - - - -	10,000
Bombay - - - - -	8,000
Madras - - - - -	5,000

Arrangements are being made by which the resources of the country in transport will be known, so that it will be easy, at short notice, to supplement the transport in time of need to meet the requirements of war.

The total approximate amount of transport to be maintained in India will be as follows:—

Elephants - - - - -	600
Camels, Government - - - - -	396
" hired - - - - -	2,500
Mules, Government - - - - -	8,100
Pack bullocks - - - - -	1,000
Army transport carts - - - - -	1,300

Equivalent to a maundage of 51,000 maunds.

A permanent staff for the supervision of the above is provided as follows:—

BENGAL.

- 1 Deputy Commissary-General, Transport.
- 1 Assistant Commissary-General, Transport.
- 2 Deputy Assistant Commissaries-General, Transport.
- 2 Deputy Assistant Commissaries-General, Transport, 2nd class.
- 5 Sub-Assistant Commissaries General.

11 Commissioned Officers.

MADRAS.

- 1 Assistant Commissary-General.
- 2 Deputy Assistant Commissaries-General.
- 2 Sub-Assistant Commissaries-General.

5 Commissioned Officers.

BOMBAY.

- 1 Assistant Commissary General.
- 1 Deputy Assistant Commissary-General.
- 2 Sub-Assistant Commissaries-General.

4 Commissioned Officers.

The following subordinate establishment has also been provided:—

BENGAL.	MADRAS.	BOMBAY.
1 Deputy Assistant Com- missary.	2 Conductors.	1 Conductor.
5 Conductors.	3 Sub-Conductors.	1 Sub-Conductor.
7 Sub-Conductors.	5 Serjeants.	3 Serjeants.
10 Serjeants.	<u>10 Total.</u>	<u>5 Total.</u>
<u>23 Total.</u>		

Provision

Provision has been made for the cost of this establishment, for equipment, repairs to buildings, allowances to regimental transport staff, pension to inferior servants, &c. The total cost will be about 280,000 *l.* per annum.

The old moveable column system has been abolished, as it was found an expensive and comparatively useless arrangement. The carriage kept up under that system could not be readily mobilised, and the new transport service will be much more efficient and less expensive.

Consequent on there having been a surplus of mules over requirements, the transport service has been started (since the conclusion of the Egyptian war), with selected animals throughout, and both they and their equipment are in first-rate order.

An efficient ambulance service in connection with the transport service is being organised in each of the presidencies, which will, it is hoped, provide the army with a percentage of sick transport and equipment on a sounder footing than hitherto, and at no additional cost to the State.

The introduction of the new transport service into the Madras and Bombay Presidencies has been rendered an easy matter, owing to the cordial co-operation of the local authorities in meeting the wishes of the Government of India.

The new scheme, though not at the time nearly completed, has had full trial during the late war in Egypt, for, while only in course of formation, it was called upon suddenly to supply carriage for 13,201 fighting men and followers, and 5,915 animals, with officers and drivers complete. These proceeded to Suez at the worst period of the monsoon weather, in August and September of last year; and, whilst in Egypt, the entire success of the new pattern saddle, the completeness of the supervision provided, the advantage of trained attendants, and of regiments being instructed in loading and packing, were fully exemplified.

For some time past the Government of India has recognised the need of applying a remedy to the stagnation in promotion which existed in the cavalry cadres of the three Presidencies, and the consequent supersession in substantive rank of the local cavalry officers by the staff corps and general lists. To this end the Secretary of State has recently sanctioned measures for ameliorating the position of the cadre officers of the local cavalry lists suffering from retarded promotion, especially in the junior grades, by allowing all the option of receiving staff corps rates of promotion with staff corps rates of pay, on their waiving their claims to the higher cavalry pay when unemployed; those who accepted the above condition being also allowed to attain to colonel's allowances after 38 years' service. These measures have been recently introduced, and have removed all legitimate grounds of complaint, but the additional cost will hardly fall short of 7,000 *l.* yearly.

For this change, and all other changes enumerated above, full provision has been made in the estimate.

The fact that next year is leap year calls for a passing remark. The increase on this account for the extra day's pay and rations for British troops, and for the extra forage for horses, &c., is estimated roughly at about 6,000 *l.*

Turning to the Home Charges—

The estimate provides for 195,800 *l.* on account of changes which have been made under the orders of the Home authorities. This sum is in excess of the Budget Estimate for 1882-83; the increase, however, being largely met by reductions aggregating 175,600 *l.*, leaves a net increase of 20,200 *l.* as compared with the Budget Estimate of 1882-83.

The large decrease in the home charges which it was anticipated would result from the policy of substituting, as far as possible, local stores and supplies for articles hitherto imported, has been fully realised. The saving on this account is 124,100 *l.* In this direction of late years much has been done. The expenditure for home stores, including freight, which was in 1877-78, 1,154,460 *l.*, is now estimated for the coming financial year at 504,800 *l.* Within the past five years reduction has been effected in this one account to the extent of 649,660 *l.*

The economy effected in the above item is, however, nearly all absorbed by the arrangement made at home to commence to liquidate the large arrears due to the War Office for non-effective charges, and 100,000 *l.* has this year been set aside as a first annual instalment of the debt.

Last year I pointed out that the charges for retired pay for officers of the Indian army would annually increase until the year 1897 is reached, and this year's estimate makes increased provision on this account. Indeed, these non-effective home charges and their annually increasing cost forcibly remind us of what was said by the Secretary of State for War in the House of Commons on the 24th June 1881, that it would not be before 1893 that the heavy dead weight which was due to that service would begin to diminish, and that meanwhile it would increase, and the automatic increase of pensions would continue, whatever economies might be effected.

Such, briefly, are the remarks I desire to make on the Military Budget Estimate for the year 1883-84. Fully recognising my responsibility for military expenditure, I have not accepted them without much criticism and examination, and they have caused me anxiety. But on the whole I am satisfied with them, because they maintain the British Army at its normal strength in batteries and regiments, and they provide for an addition to the aggregate strength of the army, have provided each regiment with an additional British officer, and have effected a change in organisation which has brought about the elimination

from the ranks of the Bengal army of the non-fighting classes, while adding to the establishment of the regiments retained men of the warlike classes. This has been done, and improvement in establishments has been gained at a considerable reduction of expenditure, while, consequent on the liberal concessions sanctioned by the Secretary of State to the men discharged, and the care exhibited by the military authorities, the changes have been carried into effect without difficulty, and have been accepted by the army without a murmur, and without any of the disquieting effects which were by some anticipated.

Finally, I would say that, if Government are asked what proof they have that the efficiency of the Army has been improved, and that the reduction of cadres has not gone too far, and too much reduced our military establishment, I reply that, while we have reduced the number of our regiments, selecting in Bengal some of those which were almost wholly recruited from the least warlike of the classes in India, we have materially added to the strength of those maintained, have increased the European element in each, and made them capable of proceeding on service without extraneous aid from transfers to them; and that, although the demand for Native troops for Egypt came to us at quite the most inconvenient moment it could have done, in July last, just as the reductions sanctioned by the Secretary of State had been carried out, and the Government were some 7,000 men short of establishment, no difficulty was found in furnishing the required number of troops, and, within eleven days of the receipt of the order directing sea transport to be engaged, the first detachment had sailed from Bombay, and was quickly followed by 46 transports with troops, horses, followers, and land transport fully complete; and, if another 5,000 men had been needed, the Government of India could without difficulty have provided them. This, I think, furnishes a satisfactory reply to those who have asserted that the reductions carried out last year went too far, and dangerously weakened our military strength in India.

10 March 1883.

T. F. Wilson.
