

EAST INDIA (FINANCIAL STATEMENT).

RETURN to an Address of the Honourable The House of Commons,
dated 25 April 1893;—*for*,

“RETURN of the East India Financial Statement for 1893-94, and of the
Debate and Proceedings thereon in the Legislative Council of India on
30th March 1893.”

India Office,
5 May 1893. }

A. GODLEY,
Under Secretary of State for India.

(*Mr. Naoroji.*)

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FINANCIAL STATEMENT FOR 1893-94.

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**COPY OF THE EAST INDIAN FINANCIAL STATEMENT
FOR 1893-94.**

FINANCIAL STATEMENT FOR 1893-94.

PART I.

IMPERIAL REVENUE AND EXPENDITURE.

PRELIMINARY.

IN accordance with the Rules made under the Indian Councils Act of 1892 the annual Financial Statement must be explained in the Legislative Council of the Government of India, and may be discussed by the Members of that Council, each of whom is entitled to receive a printed copy of the Statement.

A printed copy of the Financial Statement has been supplied to each Member of the Council, and I shall now proceed to explain the general financial position of the Government of India; such discussion of the Financial Statement as may be considered necessary can take place subsequently.

2. In the explanation which I propose to lay before this Council I shall confine myself almost entirely to Imperial Revenue and Imperial Expenditure, and I shall neither take up matters of minor importance, nor attempt to deal with Provincial and Local Finance, my special object at the present moment being to convey to the Council and to the public a correct outline of the general financial position of the Government of India; those who wish for further and fuller information will find it in the body of the Financial Statement

3. I shall deal, as is usual, with the transactions of the Government of India under the three following heads:—

- (1.) The accounts of the financial year 1891-92, which have been finally closed;
- (2.) The Revised Estimate of the financial year 1892-93, which ends on the 31st instant;
- (3.) The Budget Estimate of the coming year—1893-94.

The explanation I am about to give is printed as Part I of the Financial Statement, and where Revenue or Expenditure is mentioned it should be understood that Imperial Revenue or Imperial Expenditure is meant, unless the contrary is stated in the context.

4. The financial position of the Government of India, at the present moment, is such as to give cause for apprehension, and I shall be obliged, in the explanation I am about to lay before this Council, to go back a short way into the history of the past, in order to bring out more clearly the nature of the difficulties with which we have to contend and the causes to which they owe their existence. It will not be necessary for this purpose to go back further than March 1891, the month in which the Budget Estimates of the financial year 1891-92 were issued. This is the latest year of which the Accounts have been finally closed.

SECTION I.—ACCOUNTS OF 1891-92.

5. When the Budget Estimates for the year 1891-92 were being framed, just two years ago, the rate of exchange was taken at what would now seem the excessive figure of 1s. 5½*d.* the rupee; the surplus shown in the Estimates was Rx. 115,600, and practical equilibrium between Revenue and Expenditure was secured.

It was explained in the Financial Statement issued in March last that from a financial point of view the unfavourable incidents of the year 1891-92 were: (1) a fall in the average rate of exchange of the year to 1s. 4·713*d.*, involving an increase of the net Expenditure under Exchange by Rx. 782,200, (2) a considerable increase in Military Expenditure, chiefly on account of expeditions, and (3) a falling off in Land Revenue owing to scarcity; on the other, or favourable, side of the account there was (1) a very large increase of Railway Revenue, (2) a substantial increase of net Opium Revenue, and (3) a satisfactory growth of Ordinary Revenue other than Land Revenue.

It appeared at that time, March 1892, that the changes for the worse which had occurred during the year 1891-92 would slightly outweigh the changes for the better, and Expenditure was shown in the Revised Estimates of 1891-92 as being somewhat in excess of Revenue; at the same time it was anticipated that some improvement might occur at the last moment, and that the Accounts of the year when finally closed would show a surplus. This hope has been realised, and the Accounts of 1891-92 have closed with a surplus of Rx. 467,000—a not unsatisfactory result, even though the larger part of that surplus is due to a payment which it was expected would be made to the War Office in 1891-92 having been postponed to 1892-93; the provision made on this account in the Revised Estimates of 1891-92 was 240,000*l.* The amount actually paid in 1892-93 was 208,000*l.* and the finances of the year 1891-92 have been relieved at the expense of those of the current year.

6. With 1891-92 the era of surpluses, I regret to say, comes to an end. During the four years from 1884-85 to 1887-88 there was an aggregate deficit of Rx. 5,039,000. In 1888-89 there was a surplus of Rx. 37,000, in 1889-90 of Rx. 2,612,000, in 1890-91 of Rx. 3,688,000, in 1891-92 of Rx. 467,000, the aggregate surplus of the four years being Rx. 6,804,000. The Revised Estimates of the year which is now drawing to a close, and the Budget Estimates of the year on which we are about to enter, show deficits of considerable magnitude.

SECTION II.—REVISED ESTIMATE OF 1892-93.

7. I now come to the Revised Estimates of 1892-93, the year which is just about to close, and I shall in the first place call attention to the conditions under which these Estimates of 1892-93 were originally framed. The fall in the rate of exchange during the year 1891-92 has been so great that in the Financial Statement for 1892-93 some difficulty was experienced in securing equilibrium between Revenue and Expenditure. The fall in the rate of exchange, from 1s. 5½*d.*, the figure taken for the Budget Estimates of 1891-92, to 1s. 4*d.*, the highest rate which it was considered safe to take for 1892-93, caused the charge for Exchange to increase by no less than Rx. 1,708,000. We were able to cover this heavy loss and to secure a small surplus of Rx. 146,600 in the Budget Estimates of 1892-93, but it was only a concurrence of fortunate incidents that enabled us to do so. These fortunate incidents were (1) the receipt of contributions to the extent of Rx. 466,000 from Local Governments on revision of the Provincial Contracts, (2) the anticipated growth of general Revenue under the Principal Heads (excluding Opium) to the extent of Rx. 625,000, (3) the anticipated growth of Railway Revenue to the extent of Rx. 606,000 in India, less increased expenditure in England of 51,800*l.*, and (4) a substantial improvement under Interest in India owing to our having been able to avoid borrowing for some years, and to our having increased the Paper Currency investment by one crore of rupees.

8. The rate of exchange taken in the Budget Estimates of the current year—namely, 1s. 4*d.* the rupee—has not been realised. The actual rate of exchange at the present time is unsettled, and at this moment is below

1s. 2·5*d.*,

1s. 2·5d., and the average rate for the year is slightly below 1s. 3d.; the net charge for Exchange has increased by Rx. 1,936,600, of which Rx. 1,635,300 is due to the fall in the rate of exchange, and the remainder to increase of sterling Expenditure. Nor is this fall in Exchange the only untoward event which has affected the figures of the year 1892-93; there is also an increase of the net sterling Expenditure in England, amounting to 602,600*l.*, and involving, with Exchange at the Budget rate of 1s. 4d., an increased burden of Rx. 903,900, and there is an increase in the Expenditure under Army Services in India to the extent of Rx. 515,500.

9. The three great causes of increased Expenditure during the year 1892-93 have been (1) the fall in the rate of exchange, which caused an increase of Rx. 1,635,300; (2) increased sterling Expenditure, involving a burden of Rx. 903,900; and (3) increased Expenditure on the Army in India to the extent of Rx. 515,500; making a total of Rx. 3,054,700. As the surplus shown in the Budget Estimates was only Rx. 146,600, and the three causes I have just mentioned increased the Expenditure by Rx. 3,054,700, it will probably be a surprise to most people to learn that the deficit shown in the Revised Estimates is only Rx. 1,081,900, a figure which will no doubt be still further reduced when the Accounts of the year are finally closed. The Budget Estimates show a surplus of Rx. 146,600, and the Revised Estimates show a deficit of Rx. 1,081,900; there has, therefore, been during the year a falling off or deterioration on the whole account of Rx. 1,228,500, being the amount of surplus shown in the Budget Estimates *plus* the amount of deficit shown in the Revised Estimates. The three great causes which I have already mentioned having been sufficient to cause a falling off to the extent of Rx. 3,054,700, and the actual falling off, everything included, being only Rx. 1,228,500, it follows there must have been an improvement in other directions of Rx. 1,826,200, being Rx. 3,054,700 *minus* Rx. 1,228,500. I shall explain a little later in what way this improvement of Rx. 1,826,200 was obtained, but in the first instance it will be convenient to state the causes of the increase in sterling Expenditure and of the increase in Expenditure on the Army in India.

10. The chief increases in sterling Expenditure in England are 427,800*l.* under Army Services, 123,400*l.* under Marine, 81,900*l.* under Superannuation Allowances and Pensions, and 37,600*l.* under Interest.

The increased Expenditure under Army was caused by the payment of an arrear charge of 208,000*l.* to the War Office in 1892-93 instead of in 1891-92 as originally intended, and by the adoption of a rule for the payment of furlough allowances and retired pay in arrears at the end of each month instead of in arrears at the end of each quarter. Such a change must, from the nature of the case, add to the total charge in the first year, because the allowances are paid sooner than would otherwise be the case, and the amount due at the end of the year is reduced. The same cause accounts for the increase of 81,900*l.* in civil Superannuation Allowances and Pensions. The increase in the Marine charge is due to payments on account of the construction of ships and a dredger, which were not provided for in the Budget Estimates.

The increase of 37,600*l.* under Interest is due to discount on a sterling loan of 1,300,000*l.* raised during the year for advances to Railway Companies and discharge of Railway Debentures.

11. The increased Expenditure of Rx. 515,500 on Army Services in India is due to the following causes:—

	Rx.
Suppression of disturbances in the Lushai Country - - -	60,000
Isazai Field Force - - - - -	50,000
Gilgit Agency - - - - -	9,000
Kajuri Kach Force - - - - -	100,000
Kurram Escort - - - - -	45,000
Transport charges for supply of Gilgit Agency - - -	78,400
Arrear charges connected with the Manipur Expedition -	7,600
Rise in price of food and forage and increase in the number of transport animals to be fed (about) - - -	150,000
TOTAL - - -	Rx. 500,000

There were also other increases of charge of minor importance and some decreases of no great magnitude which need not be separately specified.

12. I come now to the explanation of the fact that, with an increase of sterling Expenditure involving at the Exchange of 1s. 4d. a burden on the finances of Rx. 903,900, with an increase in Army Expenditure in India amounting to Rx. 515,500, and with an increase of Rx. 1,635,300 on account of the fall in the rate of exchange, giving in all a deterioration of Rx. 3,054,700, the deficit is only Rx. 1,081,900. In making this explanation it will be most convenient to deal separately with the Opium Revenue, deducting Opium Expenditure from Opium Revenue so as to get the figure of net Revenue. It is at first sight not a little remarkable that an unfavourable Opium crop should, for the present, have had the effect of materially increasing the Revenue and at the same time largely reducing the Expenditure, the total gain in net Opium Revenue in India as compared with the figures of the Budget Estimates being no less than Rx. 971,900.

In the first place I may mention that the poppy cultivation failed to a large extent in the cold weather of 1892, so that the sums paid to the cultivators, which sums fall into the accounts of the current year, were greatly reduced in amount, and the total Expenditure in India under Opium in 1892-93 proved to be Rx. 1,593,900, as compared with the Budget provision of Rx. 2,233,900, the saving being Rx. 640,000.

The knowledge that the crop of Opium was a poor one immediately affected the market, and a rise took place in the price of Bengal Opium. In making our Budget calculations we had estimated the price of Bengal Opium at R. 1,050 a chest, while the average price actually obtained has proved to be R. 1,247. If we could have continued our sales throughout the financial year at the figures of the earlier months, the gain from the increased price of Bengal Opium would have been Rx. 1,065,200. As the reserve stock of Opium was running down, this could not be done, and the quantity of Bengal Opium to be sold monthly was reduced from 4,500 chests to 3,642 chests with effect from 1st October 1892. The exports of Malwa Opium also proved smaller than the Estimate, and than had been the case for many years. Consequently the gross Revenue from Opium exceeds the figure of the Budget Estimates by only Rx. 331,900. As the gross Revenue from Opium increased by Rx. 331,900, and the Expenditure was reduced by Rx. 640,000, the increase in the net Revenue is Rx. 971,900.

13. In addition to the great improvement in net Revenue from Opium, which I have just explained, and which, I must admit, is accidental, temporary, and, from a financial point of view, far from satisfactory, there has been a general increase of Revenue under almost every head in the Estimates.

The total gross Revenue in India shown in the Budget Estimates of 1892-93 was Rx. 65,399,500; the amount shown in the Revised Estimates which are now published is Rx. 66,423,300, being an increase of Rx. 1,023,800. Of this increase I have already taken into account the increase of Rx. 331,900 in Revenue from Opium; excluding the temporary and accidental increase in Opium Revenue, there has been, therefore, during the year an improvement in Revenue of Rx. 691,900.

There is nothing which has so beneficial an influence on the growth of the general Revenue as timely and plentiful rains and good harvests, and, as India has been on the whole somewhat unfortunate in these respects during the last few years, the increase of Revenue which I have just stated is specially satisfactory, inasmuch as it shows that, although the progress of the country may have been impeded by the occurrence of unfavourable seasons, it has not been stopped or even seriously checked. Nevertheless, the growth of Revenue during the year appears to show traces of the influence of unfavourable seasons. There is not a very remarkable increase of Revenue in any direction, and the satisfactory aggregate increase which has been secured is due to moderate increases under almost all heads, and indicates steady and general improvement rather than unusual expansion.

14. The only decreases of Revenue of any importance are Rx. 120,700 under XXIV Exchange, Rx. 76,000 under Customs, and Rx. 34,800 under Interest.

The amount of Revenue shown under XXIV. Exchange depends on the average market rate of Exchange during the year, on the rates fixed by contract with the railway companies for regulating certain transactions between them and the Government, on the nature and extent of these transactions during the year, on the extent of remittances during the year, and on the rate of Exchange fixed yearly for the settlement of accounts between the Indian and the Home Government. Increases or decreases of Revenue under such a head are, of course, no indication of the general progress or prosperity of the country. The falling off under Interest is due to the fact that the railway companies did not overdraw their capital to the extent anticipated, and an increase or decrease of Revenue from interest on advances to railway companies has not any bearing on the question of the growth of ordinary Revenue. The falling off in Customs Revenue is due to reduced exports of rice from Burma.

The principal increases of Revenue are the following :—

Head of Account.	Rx.
State Railways - - - - -	143,600
Land Revenue - - - - -	117,800
Salt - - - - -	104,900
Mint - - - - -	99,400
Excise - - - - -	79,800
Irrigation, Major Works, including Land Revenue due to Irrigation - - - - -	69,900
Stamps - - - - -	60,200
Army receipts - - - - -	51,100
TOTAL - - -	Rx. 726,700

15. As the increase in net Opium Revenue is Rx. 971,900, and the increase of Revenue under other heads is Rx. 691,900, we get a total improvement in Revenue of Rx. 1,663,800. This, it will be recollected, is the increase in Imperial Revenue, and does not take into account Provincial and Local Revenue, the amount of which has no bearing on the surplus or deficit of the year. I may, however, mention that the increase of Provincial and Local Revenue during the year is Rx. 592,500.

16. The growth of Revenue during the current year has, as I have just shown, been satisfactory, and it is hardly less satisfactory that the public Expenditure in India during the same period has, with only a single exception of importance, been kept well within the Budget Estimates. The Budget Estimate of this Expenditure for the current year was Rx. 41,628,500, and the corresponding figure of the Revised Estimate is Rx. 41,341,600, a reduction in the aggregate Expenditure of Rx. 286,900. If we eliminate from the account the decrease in Opium Expenditure of Rx. 640,000, which must be admitted to be accidental and temporary, and with which I have separately dealt, it will be seen that the increase of Expenditure under all other heads has been Rx. 353,100, an increase which is more than accounted for by the increased Expenditure of Rx. 515,500 on Army Services which I have already explained.

The Expenditure under all heads other than Opium and Army Services is very closely in accord with the Budget Estimates, both in aggregate amount and in details, and need not be further examined. It will suffice to mention that, excluding Expenditure under Opium and Army Services, there is a small saving of Rx. 162,400, an amount slightly less than the saving which occurs under the Railway Revenue Account.

17. The explanations already given, and which I fear may have proved somewhat tedious, place me in a position to sum up in a few words the financial results of the year 1892-93.

In the first place we have had a net increase of sterling Expenditure amounting to 602,600*l.*, which (taking exchange at the Budget rate of 1*s.* 4*d.*) involves an increased charge of Rx. 903,900. In the next place we have had increased Expenditure on the Army in India amounting to Rx. 515,500; and lastly, and most important of all, there has been a fall in the rate of exchange from 1*s.* 4*d.* to 1*s.* 3*d.*, involving a net increase of the charge in the columns headed Exchange of no less than Rx. 1,635,300; the total falling off during the year from these three causes being Rx. 3,054,700. To balance this great

and disastrous falling off, we have in the first place the temporary and accidental increase in net Opium Revenue in India of Rx. 971,900: in the next place we have a satisfactory growth of Revenue under other heads of Rx. 691,900, and we have a slight saving of Expenditure (excluding Army Services and Opium) which amounts to Rx. 162,400. The total improvement is Rx. 1,826,200.

Our losses exceed our gains by Rx. 1,228,500, and the Budget surplus of Rx. 146,600 is converted into a deficit on the Revised Estimates of Rx. 1,081,900.

18. The Final Accounts of each financial year usually, and I may say invariably, show improvement over the Revised Estimates, and I fully anticipate that in March 1894 my successor will be able to announce that the actual deficit of the year 1892-93 is below the figure at which it is now placed.

However satisfactory this result may appear at first sight, and under all the circumstances of the case, a closer examination of the figures affords ground for apprehension.

The temporary and accidental gain in net Revenue from Opium will disappear in 1893-94, and the influence of short crops in past years will still further reduce the income from Opium. On the other hand, the loss due to the fall in the rate of exchange will remain, and will increase, because there is at the present time no prospect that the rate of exchange will be as high in 1893-94 as it has been in 1892-93; and the fall will not merely add largely and directly to the burden of Indian Expenditure, but will materially increase the cost to be incurred on account of the British troops serving in India, whose pay is fixed in sterling. On the other hand, we may expect to retain a large proportion of the increase of ordinary Revenue which we obtained in 1892-93, and the causes by which the sterling Expenditure was swollen in the current year will no longer operate.

The prospective loss exceeds the amount of gain on which we can reckon, and we may say at once, and without waiting to examine the Budget Estimates of 1893-94, that the deficit of the year 1893-94 must exceed that of 1892-93 by a considerable amount.

SECTION III.—BUDGET ESTIMATE OF 1893-94.

19. In the Estimates of the coming year the total Imperial Revenue in India and England amounts to Rx. 66,648,800, and the total Imperial Expenditure to Rx. 68,243,900, and the deficit is Rx. 1,595,100.

The announcement of a large deficit, will not, I believe, come as a surprise to those who have paid any attention to financial matters during the past year, or who have taken their opinions on the subject from the public press. I shall now explain the exact influence exercised upon the financial position of the Government of India by the various causes which have come into operation during the last twelve months, and which have resulted in transforming the small surplus of the Financial Statement of 1892-93 into a deficit for the coming year which exceeds one and a half crores of rupees. The immediate and principal cause, as everyone knows, is the fall in the rate of exchange, but there are other causes of less importance which also require notice.

20. In the explanation I am about to make I shall take as my starting point the Budget Estimates of 1892-93, which showed a surplus of Rx. 146,600, and shall trace the various changes, favourable and unfavourable, which in the course of twelve months have brought us face to face with a deficit of Rx. 1,595,100. For the purposes of this explanation it will be convenient to again call attention in this place to the leading features of the position as it presented itself in March 1892.

In the Financial Statement for 1892-93 it was stated that the fall in the rate of exchange from 1s. 5½d. to 1s. 4d. had imposed on the finances of India an additional burden to the extent of Rx. 1,708,000, being the increase of Exchange on the net sterling Expenditure, in addition to an increase of Rx. 205,000 in the pay of the British Troops; and it was explained that this increase of charge had been met (1) by contributions from Local Governments, (2) by anticipated increase of Railway Revenue, (3) by growth of Revenue under the Principal Heads, and (4) by some improvement under Interest owing to our having been able

able to avoid borrowing for some years; and to our having invested in Government securities a larger amount of the Paper Currency Reserve. The additional burden thrown on the finances in March 1892 was a very heavy one, and it was only a combination of favourable circumstances that enabled us to meet it for the time. The further and additional burden thrown on the finances at the present time is even greater than that of a year ago, and another combination of equally favourable circumstances does not recur.

21. In the Estimates of the coming year the rate of exchange has been taken at 1s. 2½d., the approximate market rate of the date on which the Estimates were first compiled. The market rate of the present moment is considerably below 1s. 2½d., but the recent fall appears to be due to a considerable extent to misapprehension and panic. In any case it is quite impossible for us to recast our Estimates from day to day, in the vain hope of being able to follow the fluctuations in Exchange. It will suffice to say that a drop in Exchange from 1s. 2½d. to 1s. 2¼d., would add Rx. 439,000 to the Expenditure. The rate of 1s. 2½d. taken in the Estimates, though in excess of the market rate of to-day, is five farthings lower than the rate taken in the Budget of 1892-93, and the additional Expenditure, direct and indirect, for which we have to provide in consequence of this fall in the rate of exchange comes to no less than Rx. 2,229,400.

The net sterling Expenditure in the Estimates of the coming year is 15,650,300l., and the charge for Exchange at 1s. 2½d. the rupee is Rx. 9,814,600; if we could have taken Exchange at the rate adopted in the Budget Estimate of 1892-93, namely, 1s. 4d., the net charge for Exchange would have been only Rx. 7,825,200, and consequently the fall in the rate of exchange between March 1892 and March 1893 has added directly to the Expenditure of the Government of India the difference between these amounts, or the sum of Rx. 1,989,400.

The pay of the British Troops serving in India, or in any other part of Her Majesty's dominions, is fixed in sterling, and must be converted into the currency of the country in which they are serving at a rate fixed annually, and intended to approximate to the average market rate of the year. The fall in the rate of exchange to 1s. 2½d. has added on this account a further sum of Rx. 240,000 to the Indian Expenditure, causing the total additional charge, direct and indirect, on account of Exchange, to amount to Rx. 2,229,400.

The estimated surplus of 1892-93 was Rx. 146,600, and the estimated deficit of the coming year is Rx. 1,595,100, showing a total deterioration in the year of Rx. 1,741,700; as this sum is less by Rx. 487,700 than the falling off due to the fall in Exchange alone, it will be obvious that, but for the fall in exchange below last year's Budget rate of 1s. 4d., the Estimates of 1893-94 would have shown an improvement over those of 1892-93 amounting to Rx. 487,700, and I should now have been in a position to announce a surplus of Rx. 634,300 instead of a deficit of Rx. 1,595,100. An increase of Rx. 1,913,000 (Rx. 1,708,000 plus Rx. 205,000) in the burden on account of exchange, followed in twelve months by a further increase of Rx. 2,229,400 on the same account, the total increase amounting to over four crores of rupees; has imposed a strain on the Indian Finances which they are at present unable to bear.

22. I shall now explain in what manner the improvement of Rx. 487,700, to which I have just alluded, has been obtained.

In the first place I may mention that the estimated net sterling Expenditure of 1893-94 is less than that of 1892-93 by 99,300l., giving, at an exchange of 1s. 4d., a reduction of charge to the extent of Rx. 148,900. The details of this reduction will be found in the body of the Financial Statement, and I shall not further notice the question of sterling Expenditure in the present place. There remain for examination the Estimates of Revenue and Expenditure shown in the Indian portion of the Accounts.

In examining the Estimates of Revenue and Expenditure for 1893-94 I shall deal with net Receipts in the case of Opium and Railways; in other words, I shall deduct the Expenditure from the Receipts, and employ net figures. I adopt this course in consideration of the fact that in both cases the Expenditure is so closely connected with the Receipts, and constitutes so large a deduction therefrom, that to treat the total gross receipts as Revenue would be misleading. I do not consider it necessary for my present purpose to treat any other head of Revenue in a similar manner.

In the net Revenue from Opium the Estimates of 1893-94 as compared with the Budget Estimates of 1892-93 show a falling off of Rx. 338,400; this is partly due to reduced exports of Malwa Opium. There has also been a large reduction in the quantity of Bengal Opium to be sold, and, though the falling off from this cause will be partly covered by the anticipated increase in the selling price, the reduction in Revenue from the sales of Bengal Opium alone is Rx. 207,000.

Under the Railway Revenue Account the net Receipts in India have increased from Rx. 6,678,300 to Rx. 6,899,400, or by Rx. 221,100.

23. Putting aside for the time the Revenue from Opium and the Railway Receipts, with which I deal separately, the total increase of Revenue in the Estimates of the coming year, as compared with the Budget Estimates of 1892-93, is Rx. 647,700. This satisfactory increase is spread over nearly all heads. The only large item of increase is Rx. 313,500 under Land Revenue, and there are decreases under a few heads.

The increase shown under Excise is only Rx. 36,500; and it may be well that I should explain that the increase of Imperial Revenue under this head would have been Rx. 104,000, had it not been decided recently to assimilate the Opium Law of lower Burma to that of Upper Burma, or, in other words, to prohibit the consumption and possession of opium by natives of Lower Burma. This change involves a reduction of the Excise Revenue in 1893-94 by Rx. 67,500, and of the Opium Revenue by Rx. 22,500. The further loss which falls on the Provincial Revenues is Rx. 22,500. The loss of Revenue will be somewhat greater in subsequent years, as the proposed change is not expected to come into effect until three months of the next financial year have elapsed, and the reduction of Revenue will, therefore, affect only nine months of the year 1893-94.

24. Turning to the expenditure side of the account, I have to observe that, excluding Opium Expenditure and the Expenditure of the Railway Revenue Account, the total increase of Expenditure in India in the coming year is estimated at Rx. 431,600.

In explaining the causes of this increase of expenditure, it will be convenient to state the increase or decrease under each Group of Heads ordinarily shown in the Indian Accounts. The following are the increases of expenditure under each Group:—

	Increase. Rx.
Army Services - - - - -	686,800
Post Office, Telegraph, and Mint - - - - -	48,800
Grant for Famine Relief and Insurance - - - - -	42,600
Buildings and Roads - - - - -	40,300
Direct Demands on the Revenue (excluding Opium) - - - - -	13,400
Salaries and Expenditure of Civil Departments - - - - -	10,800
Total - - - - -	<u>842,700</u>

The increase under Post Office, Telegraph, and Mint, calls for no special remarks. It is due to the development of the Departments concerned, and is accompanied by a more than proportionate increase of Receipts. That under Buildings and Roads occurs in Military Works Expenditure: the grant for 1892-93 was below the normal amount. The increase under the Famine Grant is merely a matter of account.

The small increases of Rx. 13,400 and Rx. 10,800 do not require special notice, but the increase of Rx. 686,800 under Army Services is of more importance. Of this sum, Rx. 240,000 is due to the increase in the pay stated in rupees of British Troops serving in India, and is caused by the fall in the rate of exchange. This portion of the increase has already been taken into account in dealing with the question of Exchange, and may be excluded from the present calculation.

The

The following are the principal causes of the balance of the increase in Expenditure on Army Services (Rx. 446,800):—

	Rx.
Provision for the Kajuri Kach Force, the Kurram Escort, and Arrear charges of the Chin and Lushai Expeditions	174,000
Increased Expenditure on Ordnance establishment and stores	88,200
Rise in the price of food and forage, and increase in the number of transport animals to be fed	70,000
Transport and supply arrangements for Gilgit	30,000
Increased cost of clothing for British Troops	27,100
Total	<u>389,300</u>

25. The decreases in Expenditure during the coming year, 1893-94, are as follows:—

	Decreases. Rx.
Interest	233,200
Construction of Railways	118,300
Special Defences	18,600
Miscellaneous Civil Charges	32,400
Irrigation	8,600
Total	<u>411,100</u>

Of the items of decrease, the only one that requires special explanation is that under Interest. Speaking generally, this decrease may be said to be due to the transfer of Rx. 10,792,490 of the 4½ per cent. Loan during the current year to a 4 per cent. loan, thus effecting a saving of Rx. 54,000, and to the continuance of the practice of applying the surpluses of past years to the construction of railways and canals, and thus obviating the need for borrowing. On the other hand, there is an increase of the interest charge on increased deposits in Government Savings Banks. The reduction under Construction of Railways is due to the fact that we have no surplus Revenue to devote to such a purpose.

26. The final result at which we arrive is that, if we exclude the indirect increase of Expenditure in India, caused by the fall in the rate of exchange, and leave out of account Opium Expenditure and the Expenditure in the Railway Revenue Account (for both of which a net figure has been taken), there has been an increase of Expenditure under certain heads in the Estimates of 1893-94, as compared with those of 1892-93, of Rx. 602,700, of which Rx. 446,800 is due to higher Expenditure under Army in India, and that there is a decrease under all other heads of Rx. 411,100.

27. I am now in a position to summarise in a few words the causes that have brought about a deficit of Rx. 1,595,100 in the Estimates of 1893-94, as compared with the surplus of Rx. 146,600 shown in the Financial Statement for 1892-93. In the first place, the fall in the rate of exchange has caused increased Expenditure to the amount of Rx. 2,229,400; in the second place, net Opium Revenue is worse by Rx. 338,400; and in the third place, the cost of Army Services in India (excluding pay of British troops) is greater by Rx. 446,800. The total deterioration from the three causes I have mentioned is Rx. 3,014,600. There is on the other side of the account an improvement in ordinary Revenue in India to the extent of Rx. 647,700, an improvement of Rx. 221,100 in net Railway receipts in India, a reduction in the net sterling charge which reduces Expenditure by Rx. 148,900, and a reduction in Indian Expenditure (excluding Opium, the Railway Revenue Account, and Army Services) of Rx. 255,200. The total improvement is Rx. 1,272,900; and, deducting this amount from the total deterioration of Rx. 3,014,600, we get a net falling-off of Rx. 1,741,700, which is just sufficient to account for the surplus of Rx. 146,600 shown in the Budget Estimates of 1892-93 being converted into a deficit of Rx. 1,595,100 in the Estimates of 1893-94.

11. The figures may be stated in the following manner :—

Deterioration.	Rr.	Improvement.	Rr.
Exchange - - - - -	2,229,400	Increase in Ordinary Revenue in India - - - - -	647,700
Reduction in <i>net</i> Opium Revenue	338,400	Reduction in <i>net</i> sterling Expenditure - - - - -	148,900
Increased cost of Army in India, excluding increase in pay of British Troops. due to fall in exchange - - - - -	446,800	Reduction in India Expenditure, excluding Opium, Railway Revenue Account, and Army Services - - - - -	255,200
		Improvement in <i>net</i> Railway Receipts - - - - -	221,100
TOTAL - - - £.	3,014,600	TOTAL - - - £.	1,272,900

SECTION IV.—PRESENT POSITION AND FUTURE POLICY.

28. The Revised Estimates of the current year show a deficit of Rx. 1,081,900; the Budget Estimates of the coming year show a deficit of Rx. 1,595,100. The prospects of the future are disheartening, because, although the ordinary Indian Revenue grows rapidly, the fluctuations in Exchange are such as to set all calculation at defiance. The increase in Expenditure during the last two years, caused by the fall in the rate of exchange, amounts to Rx. 4,142,400, and the increase of Expenditure due to this cause has not yet come to an end. The heavy fall in the rate of exchange has most seriously affected the position of Government servants not domiciled in India; their case cannot be put on one side much longer, and, as matters now stand, no remedy is possible which does not involve further increase of Expenditure.

We have, also, to take into consideration the possibility of the United States stopping their purchases of silver; the effect of which on the rate of exchange must be serious and might be disastrous. It has been found necessary to take *net* Opium Revenue for the coming year at a lower figure than has appeared in the Estimates during the last 22 years.

29. Under the circumstances stated in the preceding paragraph, the natural and ordinary course would be for the Government of India to at once take such measures as would suffice to cure the existing deficit and establish equilibrium between Revenue and Expenditure. Financial embarrassment gathers weight and force the further it proceeds, and it is the obvious duty of every Government to allow no avoidable delay to occur in dealing with a declared deficit. Postponement of action cannot be justified except on grounds of irresistible weight.

30. It will be found on examination of the existing position that there are insuperable objections to any attempt to deal with the anticipated deficit of 1893-94 at the present moment. The immediate cause of our financial difficulties, and the cause which, by comparison and for the time being, dwarfs all others, is the fall in the gold value of silver, which, as I have already shown, has added to the Indian Expenditure in two years more than four crores of rupees. If that fall could be stayed and the rate of exchange with England fixed permanently at even its present low figure, the difficulty of dealing with the present deficit would be comparatively light. The Revenue continues to grow in a satisfactory manner; even under the influence of indifferent seasons and poor harvests it has made fair progress. If we could feel assured that there would be no further fall in exchange, I have little doubt that increase of Revenue, restriction and reduction of Expenditure, with possibly some taxation of a temporary nature, would, in a very short time, re-establish equilibrium. A serious effort would no doubt be required in the first instance, but with a fixed rate of exchange we would have a definite task before us, and our measures could

could be regulated accordingly. But it unfortunately happens that, unless some settlement of the currency question is obtained, there is no prospect of even the most moderate degree of stability in the rate of exchange. The disastrous and unprecedented fall in the gold value of silver which has been experienced during the last few years has destroyed confidence, and we know that the question of stopping their purchases of silver is being seriously agitated in the United States of America. The exact consequences of such stoppage it is impossible to foretell, but the conclusion I have come to is that the consequences would, at any rate for a time, be disastrous to the Indian Exchequer, and that the Government of India would in such case be involved in pecuniary difficulties of greater magnitude, and more lasting in their effects, than any which have hitherto been experienced in this country.

The imports of silver into India during the current year and the two preceding years have been of great magnitude. In the year 1890-91 the net imports of silver were Rx. 14,175,136, in 1891-92 they were Rx. 9,022,184, and in 1892-93 they promise to amount to Rx. 13,000,000. If the United States ceased to purchase silver, the best calculation I have been able to make shows that India would have to absorb about Rx. 8,000,000 worth of silver yearly, in addition to what she imports already, and it is impossible to contemplate such a contingency without grave apprehension.

The consequences of a forced and sudden addition to the yearly imports of silver into India of Rx. 8,000,000 in a single year, would, in the first instance, at any rate, be overwhelming, and I should expect that the Eastern Exchanges would be for the time completely disorganised. The fall in the gold value of silver would be so great that the production of silver might be curtailed, but we cannot be certain that this result would follow, or to what extent it would follow, and, as mines that are in full working could not, and would not, be stopped immediately, the process of reduction would take time. If such reduction of output did take place, it would be due to the fall in the price of silver, and would not last longer than the fall in price lasted; every rise in price would be followed by increased activity at the mines, and would tend to restore production to its old figure. In short, the stoppage of the purchases of silver by the United States must result in a great fall in the price of that metal, and, though a portion of the first fall might be recovered, it cannot reasonably be expected that, under such circumstances even the present price of silver would be restored; confidence in the future would be still further weakened, and fluctuations in exchange, of excessive amount and most injurious in their consequences, would be inevitable.

31. I have now shown what we must expect if there is no settlement of the currency question, and if the United States stop their purchases of silver. The prospect of a settlement of the currency question lies on the other side of the shield. A settlement of this question would prevent any further fall in exchange, and would be likely to bring about, at the very least, some slight rise.

It is no violent hypothesis to assume that a settlement of the currency question might raise the rate of exchange by one penny, and so great is the influence of exchange on our finances that a rise of even this small amount would give us equilibrium between Revenue and Expenditure in the coming year, and cause our present financial difficulties to disappear.

In other words, our financial position for the coming year is at the mercy of Exchange and of those who have it in their power to affect in any way the price of silver. If we budget for the present deficit of Rx. 1,595,100 and exchange rises one penny we shall have a surplus; if it falls a penny we shall have a deficit of more than three crores; if we impose taxation to the extent of one and a half crores of rupees, a turn of the wheel may require us to impose further taxation of not less magnitude; another turn and we may find that no taxation at all was required. It will be obvious from what I have just said that what we have got to consider in making our arrangements for next year, is not so much the question of increasing the public Revenue, or restricting that portion of the public Expenditure which is under our control, but the chances of a settlement of the currency question.

32. I regret that I am unable to give any more definite information regarding the prospects of a settlement of this question than the public at present possess.

We know that the question excites the greatest interest in the United States; and we know that, even if the people of that country were willing to let it sleep, the inexorable logic of events will force them before long to take a fresh departure either in one direction or in the other.

The International Monetary Conference which recently assembled at Brussels separated without arriving at any definite conclusions, but it is proposed that it should reassemble in May. We do not know whether that proposal will be carried out or not, but in the meantime the currency question as it affects India is being considered by a Committee of experts in London under the presidency of the Lord High Chancellor of England.

The proceedings of that Committee are secret, and the Government of India have no information as to what the nature of its Report will be, or as to whether the Committee will agree upon a unanimous Report or not. But we know, as do the public, that the Report of the Committee will be made very shortly, and the Government of India have been informed by Her Majesty's Secretary of State for India that the decision on the Indian currency question cannot be delayed much longer. Under these circumstances the Government of India have decided—and the soundness of the decision does not appear to me to admit of dispute—that the proper course is to await the decision of the Home authorities on this question, before adopting measures, which must necessarily be of a stringent and exceptional nature, with the object of re-establishing equilibrium between Revenue and Expenditure. The immediate restoration of equilibrium would require the imposition of heavy taxation or a large reduction of Expenditure; and yet neither this taxation nor reduction of Expenditure, or even a combination of both means, would be final, or anything better than a temporary makeshift, if the currency question is not settled; measures that might suffice to meet the existing deficit would, in my opinion, be wholly inadequate if the United States ceased to purchase silver. I submit that the Government of India cannot be expected to initiate a policy at the present moment, which must have very serious effects on the industry of the country, and disturb and unsettle the Administration, when the lapse of only a month or two might, and in all probability will, show either that their policy was mistaken and their measures uncalled for, or that that policy is wholly insufficient to meet the requirements of the case, and that their treatment of the disease had irritated the patient without materially advancing his progress towards health.

Disappointing as this decision may appear to some persons, and strongly as I am opposed to delay in dealing with financial embarrassment, I entertain no doubt that the course which the Government of India (with the sanction of Her Majesty's Secretary of State for India) have decided to adopt in the present conjuncture is the wisest under the circumstances, and I trust that the Indian public will acknowledge the difficulties of the present position, and will not press for a hasty decision, or the inconsiderate adoption of measures which must, from the very nature of the case, prove to be either inadequate or unnecessary.

33. The Government of India having decided to budget for a deficit of Rx. 1,595,100, and the various Local Governments having decided to draw upon their Provincial and Local balances and to budget for expenditure in excess of their Revenue for the year by Rx. 751,200, the question of Ways and Means for the coming year becomes one of unusual importance.

We have to find money to cover the deficit of Rx. 1,595,100 in the Imperial Account, and of Rx. 751,200 in the Provincial and Local Account; we have also to find Rx. 3,550,000 for Expenditure on Railways and Canals, which is not charged against Revenue; and we have to provide funds for loans to Local Bodies, agriculturists, and others, to an extent (excluding the repayment of the balance of a loan by the Bombay Port Trust) which involves a net outgoing of Rx. 327,900.

We have also to meet the payments by the Secretary of State not taken into calculation in any of the above amounts to the extent of 1,889,100*l.*, amounting at the exchange of 1*s.* 2½*d.* to Rx. 3,070,400, of which about one-half only will be recovered in India from the remitters.

The task appears, at first sight, a formidable one, but I am glad to be able to say that a loan of 300 lakhs of rupees, to be raised in India, will, so far as can be judged at present, be sufficient to meet all our wants. The amount of
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this loan is less by 55 lakhs of rupees than the amount which we propose to spend on Railways and Canals and to charge otherwise than against Revenue, and is probably not in excess of the amount which might be raised yearly in the Indian market without producing any serious disturbance.

As the Government of India have not borrowed for some years, and Government Securities now stand high in price, it may be anticipated that the loan will be raised on favourable terms.

34. This satisfactory result as regards the amount to be borrowed is partly due to the high cash balance of Rx. 15,204,200 with which we expect to open the coming year. It is anticipated that the cash balance will be reduced during 1893-94 by Rx. 2,561,100. It is also due in part to the large net deposits in Government Saving Banks which we are now receiving. The figures of net receipts for the past two years, and the estimated receipts for the present and coming years, are as follows:—

	Rx.
1890-91	530,400
1891-92	824,100
1892-93	977,200
1893-94	811,000

The Bombay Port Trust has taken advantage of the favourable condition of the money market, and proposes to repay on 1st April next a loan of Rx. 616,100. The Rampore State will also pay the balance (Rx. 220,000) of the amount it is providing for the construction of the Moradabad-Rampore Railway. The Ways and Means of the year are proportionately strengthened.

35. It is expected that the drawings of the Secretary of State will amount to 17,200,000*l.* in the current year, and to 18,700,000*l.* in the coming year, making 35,900,000*l.* in the two years. The large amount of these drawings may give rise to the erroneous belief that there has been a great and permanent increase in the Home charges. This is not the case. The Home Expenditure of the last four years has been as follows:—

	£.
1890-91	15,568,875
1891-92	15,974,699
1892-93 (Revised Estimate)	16,563,600
1893-94 (Budget Estimate)	15,843,800

The increased drawings are largely due to payments for Railway stores, and to repayments of money received in former years from Railway Companies, and such repayments, though inconvenient at the present time and involving a considerable temporary addition to the Home charges, will have a beneficial effect on the balance of India's indebtedness in the future.

36. I have already explained that our position in the coming year depends almost entirely on the course of exchange, and, though I must recur to the subject again, I have no intention of adding to the mass of literature that has grown up in connection with the currency question.

The arguments for, and against, an International settlement of that question, and the arguments for, and against, independent action on the part of India, appear to me to have been exhausted. Every scheme that it has been possible for human ingenuity to devise has been elaborated with the utmost care, and pressed on the attention of a perplexed and suffering public as being, in the opinion of its authors, a safe and infallible remedy for undoubted evils. I must plead guilty in my own case to having added something to the burdens of the patient public; but I hope I have not, as sometimes happens in the heat of argument on the currency question, ever used language which conveyed the impression that I looked upon the man with whom I had the misfortune to differ in opinion as being necessarily a person of doubtful honesty and deficient in ordinary intelligence. If I have done so, I retract and apologise. The matter is too serious to permit of any weight being attached to merely personal considerations, and I think I may now fairly call on the disputants to recognise that the suit has, for the time being, passed beyond the stage of pleading and of argument, and that it only remains to await the decision of the tribunal. If the members of that tribunal decide that a remedy is possible

by means of independent action on the part of India and should be tried, let us, whatever our private and personal opinions may be, accept that decision and loyally endeavour to give effect to it. In asking others to accept a decision which they may, possibly, not wholly approve, I am not requiring them to do something which I am not prepared to do myself. The remedy which I have always advocated, which I still prefer, and which I hope may some day be adopted, is the solution of the currency question by International agreement; yet this is the solution which at the present moment is not under consideration.

If, on the other hand, it be decided that, having regard to the interests of India in their widest sense, no remedy for our undoubted difficulties by means of independent action on the part of this country is practicable, or should be attempted, it will be our plain and obvious duty to address ourselves, as best we may, to the task of establishing, securing, and maintaining the integrity of the financial position of India. That task may be a heavy one, but difficulties that are met in the right spirit are already half overcome, and I have confidence in the resources of the country and in the industry of its people.

37. In the first Financial Statement which issued under my name just four years ago, after calling attention to the financial dangers that threatened us in connection with the question of Exchange and the fall of the Opium Revenue, I remarked that, "if we could get rid of the Exchange difficulty, I should be prepared to adopt a hopeful view of the future, and, if there were in addition no risk of a great war, I should look forward to our progress in coming years with as much confidence as it is ever safe to feel in financial matters."

In the following year, when dwelling on the improvement that had taken place in the course of twelve months and on the grounds for expecting further improvement in the immediate future, I added the following words:—

"I fully recognize that we have difficulties of no slight magnitude still to meet, that the finances are exposed to many dangers, and that unforeseen disasters might for a time upset our calculations. There is every need for caution and for economy, and I should greatly regret if anything I now say, or have said in the past, conveyed the impression that the Government of India are in a position to embark on a policy of adventure of any description."

When I made these remarks the tide of Indian financial prosperity was rising, and it was held in some quarters that the policy I advocated was unnecessarily timid. The remission of taxation, it was said, would relieve the springs of industry, and public works should be vigorously prosecuted with funds raised by gold loans in London.

One of those disasters the occurrence of which a study of the history of the Indian finances, and more than twenty years' practical experience of their working, had taught me to regard as possible at any moment, and on the shortest warning, has now come upon us, and I do not think the critics will look back with much satisfaction to the opinions they formerly expressed; for my part I have no wish to dwell on the subject, and I recall the matter at the present time merely with the object of adding force to what I have now to say.

Even under present circumstances, when the horizon is dark with the approach of what may prove to be the greatest financial convulsion of the present century, I do not draw back from the opinion I formerly expressed that the revenues of India are adequate to meet her wants; but I wish to say in the most emphatic terms that, if the Ship of State is to pass successfully through the storm which she is now entering, our measures must be taken in due time, must be regulated by prudence and forethought, and must be carried into execution with strict regard to economy.

PART II.

IMPERIAL, PROVINCIAL, AND LOCAL, REVENUE AND EXPENDITURE.

SECTION I.—ACCOUNTS OF 1891-92.

38. The Revised Estimates for the year 1891-92 showed a deficit of Rx. 80,000. In announcing that deficit in last March, I stated my belief that the Final Accounts would show an improvement, and that it was more than probable that equilibrium would be secured. In June the Under-Secretary of State for India was able to announce in Parliament that this expectation had been realised, and he estimated the surplus of the year at Rx. 354,000. The actual surplus has proved slightly higher, being Rx. 467,535.

39. Explanations of the variations under the several heads will be found in the Appropriation Report, published in the "Gazette of India" of the 18th instant. The following statement contains a general comparison of the Revised Estimates with the Accounts of the year:—

	Revised Estimate.	Accounts.	Accounts Better.	Accounts Worse.
REVENUE.				
India - - - - - Rx.	88,219,400	88,773,360	553,960	-
England - - - - - £.	255,200	257,919	2,719	-
Exchange - - - - - Rx.	111,300	112,004	704	-
TOTAL - - - - - Rx.	88,585,900	89,143,283	557,383	-
EXPENDITURE.				
India—				
Imperial, Provincial, and Local Rx.	65,873,700	66,004,760	-	131,060
Adjustment of Provincial and Local Surplus or Deficit - Rx.	-461,500	-240,924	-	220,576
England - - - - - £.	16,193,400	15,974,699	218,701	-
Exchange - - - - - Rx.	7,060,300	6,937,213	123,087	-
TOTAL - - - - - Rx.	88,665,900	88,675,748	-	9,848
SURPLUS OR DEFICIT - - - Rx.	-80,000	+467,535	547,535	-

40. The improvement in the Revenue and Expenditure in India was Rx. 422,900, of which Rx. 220,576 occurred in the Provincial and Local sections of the Accounts, and Rx. 202,324 in the Imperial section. The improvement in the Revenue and Expenditure in England amounted to Rx. 345,211. The two amounts last mentioned make up the final improvement of Rx. 547,535, which converted the estimated deficit of Rx. 80,000 into a surplus of Rx. 467,535.

1891-2.
General Results.

41. Most of the Heads of Revenue, contributed to the increase of Rx. 553,960 in the Revenue in India. The largest increases occurred under the Principal Heads of Revenue, Rx. 190,849 (Rx. 85,274 of which was in Land Revenue), and under Railways, Rx. 283,089.

1891-92.
Revenue in India.

1891-92.
Expenditure in
India.

42. In the Revised Estimates for the year, there was an under-estimate of the Military Expenditure in India of Rx. 116,062. Smaller variations under other heads result in a net increase of Rx. 14,998. These two sums together make up the amount, Rx. 131,060, shown as increase of expenditure in India in the table in paragraph 39.

Expenditure in
England.

43. The decreases of Expenditure in England, 218,701*l.*, and in Exchange on it Rx. 123,087, are explained by the refusal of the War Office to receive in the year 1891-92 the sum provided in the Revised Estimate to pay off the claims of the War Office on account of British forces serving in India.

1891-92.
Expenditure not
charged to Revenue.

44. The capital outlay on Railways and Irrigation Works, not charged to Revenue, was Rx. 3,500,000 as entered in the Revised Estimates.

SECTION II.—REVISED ESTIMATE OF 1892-93.

45. The following Statement compares the figures of the Budget and Revised Estimates of 1892-93 for Revenue and Expenditure in India and in England:—

	Budget.	Revised.	Revised Better.	Revised Worse.
REVENUE.				
India - - - - - Rx.	88,066,700	89,683,000	1,616,300	—
England - - - - - £.	200,800	211,400	10,600	—
Exchange - - - - - Rx.	100,400	126,800	26,400	—
TOTAL - - - Rx.	88,367,900	90,021,200	1,653,300	—
EXPENDITURE.				
India—				
Imperial, Provincial, and Local Rx.	65,457,400	64,965,100	492,300	—
Adjustment of Provincial and Local Surplus or Deficit - Rx.	—1,161,700	—363,800	—	797,900
England - - - - - £.	15,950,400	16,563,600	—	613,200
Exchange - - - - - Rx.	7,975,200	9,938,200	—	1,963,000
TOTAL - - - Rx.	88,221,300	91,103,100	—	2,881,800*
SURPLUS OR DEFICIT - - - Rx.	+ 146,600	—1,081,900	—	1,228,600

1892-93.
General Results.

46. The considerable deficit which is now anticipated in 1892-3 may be ascribed to the fall in the rate of exchange. Had the rate of 1*s.* 4*d.* the rupee, which was taken in estimating last March, been realised, a surplus appreciably larger than that shown in the Budget Estimate would have been secured.

The Revenue has shown satisfactory progress in the year, almost every head showing an increase: and the Expenditure in India as a whole has been kept below the Estimate. The portion of these improvements which occurs on the Imperial section of the Estimates is more than sufficient to cover the increase in the sterling Expenditure in England with Exchange on it at the rate of 1*s.* 4*d.* the rupee. The increase in net Expenditure caused by the fall in the rate of Exchange from 1*s.* 4*d.* to 1*s.* 3*d.* the rupee (the effect of that fall on the head XXIV—Exchange being neglected) amounts to Rx. 1,635,300, which is Rx. 553,400 in excess of the deficit of the Revised Estimate. Consequently, if that fall had not occurred, instead of a deficit, there would have been a surplus of over Rx. 550,000.

47. The

47. The Revenue in India is now expected to be Rx. 1,616,300 in excess of the Estimate made in March last. Of this amount, an increase of Rx. 1,023,800 occurs in Imperial Revenue, and of Rx. 592,500 in Provincial and Local Revenue.

1892-93.
Revenue in India.

48. The only important decreases of Revenue in India are (1) one of Rx. 75,000 under Customs, for which diminished exports of rice from Burma account, and (2) one of Rx. 120,700 under XXIV—Exchange. It is very difficult to frame satisfactory Estimates under the head XXIV—Exchange. The factors influencing the amount of the gain taken to that head, or of the loss taken to the corresponding charge head, 31—Exchange, as the case may be, are—

1892-93.
Decreases of
Revenue in India.

(1.) The amounts of the withdrawals of Capital by Railway Companies for expenditure. It is possible to make an estimate of these amounts, though considerable variations are found to occur frequently, the Companies requiring more or less money than they anticipated at the beginning of the year.

(2.) The amounts of payments to Railway Companies for Revenue Stores. These can be estimated on the basis of past experience, but are subject to variations.

(3.) The rates of exchange fixed by the several contracts with the Companies for the adjustment of Capital and Revenue transactions. The rates for the adjustment of withdrawals of Capital in India are in most cases fixed definitely by the contracts, but the rates for the adjustment of withdrawals of Capital in England and for the adjustment of Revenue transactions depend on the course of exchange in the half-year immediately preceding that of the occurrence of the transactions.

(4.) The amounts of the transactions other than those of Railway Companies which enter into the Remittance Account with London. These can be estimated from past experience, but are subject to variation from various causes.

(5.) The rate of exchange fixed annually for the adjustment of transactions between India and England. This is known beforehand.

(6.) The average rate of exchange at which the Secretary of State sells his Bills on India during the year. This cannot be foreseen with any accuracy.

The differences between the actual average rate of exchange (6), and the other rates of exchange mentioned, applied to the amounts of the transactions concerned, give the gain or loss by Exchange entered under one or other of the two heads.

Of the total reduction of Rx. 120,700 below the Budget Estimate of the current year for this uncertain head of Revenue, the decrease occurring in connection with the transactions of Railway Companies is Rx. 70,900, and that in connection with other payments and receipts on the Remittance Account is Rx. 49,800.

49. The more important increases of Revenue are : —

	Rx.
Land Revenue, including that due to Irrigation	203,300
Opium	331,900
Salt	103,900
Stamps	228,600
Excise	101,200
Forests	60,400
Mint	99,400
State Railways	235,500
Irrigation—Major Works, Direct Receipts	164,000
Army Receipts	51,100

1892-93.
Increases of Revenue
in India.

The increase in Land Revenue is the consequence partly of a favourable season, and partly of settlement operations having resulted in larger increments of Revenue than anticipated. All Provinces, except the North-Western

Provinces and Oudh, contribute to the increase, but the Province showing the largest increase is Burma; in addition to a specially large increase from settlement operations and extensions of cultivation, the Revised Estimates for that Province include arrears of the rent due by the Ruby Mines Company amounting to Rx. 20,000.

The price of Opium rose very much after March last; the average price realised at the monthly sales of Bengal Opium has been R. 1,247 a chest, as compared with the estimated price of R. 1,050; and the receipts in Bengal have consequently exceeded the Estimate by Rx. 422,200, notwithstanding the reduction from October last in the quantity offered for sale each month. The increase in Bengal is partially counterbalanced by a falling off in Bombay consequent on a diminution of the exports of Malwa opium.

The increase under Salt occurs in the Northern India Salt Department, from which the issues have been unusually high. In Bombay the issues have fallen off largely from those of 1891-92, and in Madras, Bengal, and Burma, to a smaller extent.

The Stamp Revenue has increased in almost every Province, and notably in Madras, Bengal, and Bombay.

The Excise Revenue has also increased in most Provinces, especially Bengal, Lower Burma, and the North-Western Provinces and Oudh. The Revenue in Madras, however, is expected to be Rx. 50,000 less than the Budget Estimate.

The increase under Forest has been secured in Burma. The season in Lower Burma has been a specially favourable one for floating timber down the rivers.

The Mint Receipts have increased because the amount of silver tendered for coinage has been considerably above the average.

The falling-off in the Railway Revenue from the exceptional amount realised in 1891-92 has not been so great as it was deemed prudent to assume in the Budget Estimate.

The increase under Irrigation is ascribed partly to the recovery of arrears in Orissa, but mainly to the area irrigated from the canals in the Punjab and in the North-Western Provinces having been greater than was anticipated.

The Army Receipts are uncertain. The receipts from the sales of cattle and remounts and of Commissariat and Ordnance Stores, from issues of malt liquor and from arms issued to the Police, will be greater than anticipated.

1892-93.
Revenue in England.

50. The small increase in the Sterling receipts occurs chiefly in Telegraph Revenue, Superannuation Fund Subscriptions, and Miscellaneous Store Receipts.

1892-93.
Expenditure in India.

51. The expenditure in India is expected to be less than the Budget Estimate by Rx. 492,300. Of this amount a decrease of Rx. 286,900 occurs in the Imperial Expenditure, and of Rx. 205,400 in the Provincial and Local Expenditure.

The decrease is the net result of a number of decreases and increases.

1892-93.
Decreases of
Expenditure in
India.

52. The more important decreases are as follow:—

	Rx.
Land Revenue	74,800
Opium	640,000
Forest	75,100
Police	54,000
Education	51,100
Famine Relief	53,200
State Railways, Working Expenses	76,400
Miscellaneous Railway Expenditure	70,100

The decrease under Land Revenue occurs in all Provinces except Bengal (where there has been an increase of Expenditure on Surveys and Settlements), and Burma (where the large increase of Revenue has involved increased Expenditure in collection), and is due partly to new measures not being introduced so soon as expected, and partly to Local Governments making rather liberal provision in the Budget Estimates for the existing scale of expenditure.

The

The decrease under Opium is due to the failure of the Opium crop in Bengal. This failure necessitated a considerable reduction in the quantity of opium offered for sale at the monthly sales, beginning with the sale of October last.

The Budget Estimates made too liberal provision for the expenditure under Forest, especially in Bombay and Madras, in which Provinces the Revenue is also less than the Estimate.

Under Police the Expenditure will exceed the Budget Estimate by Rx. 22,800 in Bengal, where the provision made for the charges in South Lushai has proved to be insufficient, by Rx. 500 in Assam, this small excess being also caused by increased charges in the Lushai country, and by Rx. 15,900 in the North-Western Provinces and Oudh, where a scheme of re-organisation not provided for in the Budget Estimates has been sanctioned and brought partially into operation. In other Provinces the Police expenditure will generally fall short of the Budget provision: the reasons are the same as those given for the decrease in Land Revenue Expenditure.

The decrease under Education is distributed over nearly all the Provinces, and may also be ascribed to too liberal provision in the Budget Estimates.

The decrease under Famine Relief occurs because the favourable rains in Madras rendered it unnecessary to utilise fully the amount provided by the Madras Government in view of the unfavourable prospect which existed in March last. In Bombay also the provision made was not required. On the other hand, the Local expenditure in Bengal has been greater than the estimate, and in Ajmere and Rajputana some expenditure has been incurred under this head in addition to that on Public Works undertaken to provide labour for persons in distress.

The reduction of Expenditure on State Railways—Working Expenses occurs on the North-Western Railway, on which the traffic has been exceptionally light this year: on other Railways generally the improvement in the traffic has caused an increase of both the Working Expenses and the Receipts.

The decrease under Miscellaneous Railway Expenditure is caused by the transfer to the account of the Assam-Bengal Railway Company of the amount spent on the survey of the line by the Government of India before the Company was formed. The actual expenditure in the year on Railway Surveys is higher than the Budget Estimate, as some new surveys not included in the Estimate were begun.

53. The savings, of which the more important items are explained in the preceding paragraph, are to a considerable extent counterbalanced by increases under other heads. Of these the more important are:—

1892-93.
Increase of
Expenditure in
India.

	Rx.
Interest on Debt	56,800
Political	50,500
Irrigation—Minor Works	43,100
Army	515,500

The excess under Interest arises in connection with the successful conversion of the larger part of the outstanding 4½ per cent. loans into 4 per cent. debt. The half-yearly dates for the payment of the 4 per cent. paper issued in exchange differ from the dates for the 4½ per cent. paper received in exchange, in such a way that the payment of a portion of one-half year's interest is made in the later months of 1892-93 instead of in the earlier months of 1893-94. There was also a charge, adjusted in India, of Rx. 9,600 for brokerage on the conversions effected in London. But for these non-recurring increases, the conversion would have resulted in a saving of ½ per cent. per annum for nine months on the amount converted; in future years the saving will be ½ per cent. on the amount converted.

The increase under Political is caused by increase in the establishments at Gilgit (partly by transfer from the Military Estimates), by the occupation of the Kurram Valley, by missions on the North-West Frontier, and by expenditure in the Lushai country.

The increase under Irrigation—Minor Works—is due to expenditure in Upper Burma and Rajputana on works undertaken in consequence of the scarcity which occurred in those Provinces before the last rains.

FINANCIAL STATEMENT OF THE

The excess under Army is due to the following causes, the approximate amounts for each being stated:—

	Rx.	Rx.
Expeditions. { Lushai - - - - -	60,000	} 262,600
{ Isazai - - - - -	50,000	
{ Kajuri Kach - - - - -	100,000	
{ Kurram - - - - -	45,000	
{ Manipur (arrears) - - - - -	7,600	
Transport and supply arrangements for feeding the Indian and Kashmir troops in Gilgit - - - - -		78,400
The new system of supply of clothing to British troops -		20,500
Purchase of additional horses, and other smaller grants -		10,000
Rise in the price of food for men and animals, and an increase in the number of transport animals to be fed - - - - -		150,000

1892-93
Provincial and
Local Adjustments.

54. The sum of Rx. 797,900 entered opposite "Adjustment of Provincial and Local Surplus or Deficit," represents the amount by which the reduction of their accumulated balances by Local Governments has been less than they proposed when the Budget Estimates were framed. Of this improvement in the position of Local Governments, increase of Revenue accounts for Rx. 592,500, and reduction in Expenditure for Rx. 205,400.

1891-93.
Expenditure in
England.

55. The increase of 613,200*l.* in the Expenditure in England is accounted for by the increases under the following heads:—

	£.
Interest on debt - - - - -	37,600
Marine - - - - -	123,400
Superannuation - - - - -	81,900
Army Effective charges - - - - -	237,900
Non-effective charges - - - - -	189,900

The increase under Interest is due to the discount and commission charges of 43,900*l.* on the sterling loan of 1,300,000*l.* raised during the year for advances to Railway Companies and discharge of Railway Debentures, the provision made for interest on temporary loans, on the other hand, not being required.

The increase under Marine is caused by payments for the construction of the troop-ships "Warren Hastings" and "Minto" and the dredger "Mud Turtle," which were not provided for in the Estimate.

Under Effective Army charges, 208,000*l.* of arrears of payments to the War Office, which it was intended to pay in 1891-92, have been paid this year. The payments of furlough allowances are expected to exceed the Estimate in consequence of the payment of allowances monthly instead of quarterly, which has the effect of causing the allowances due for the last two months or so of 1892-93 to be paid within the year instead of in the early months of the following year: the payments for Clothing, Commissariat, and Medical Stores, are increased by 78,600*l.*: and, on the other hand, the amount provided for Ordnance Stores is expected to be less by 86,000*l.*, representing payments postponed to next year.

The increase in the non-effective Army charges is due to the payment of pensions monthly instead of quarterly, as explained above in regard to furlough allowances.

The increase under Superannuation Charges is also due to the cause just mentioned.

1892-93.
Exchange.

56. The net charge for Exchange on the Revenue and Expenditure in England is Rx. 9,811,400, being an increase of Rx. 1,936,600 over the Budget Estimate of Rx. 7,874,800. Of this increase the sum of Rx. 301,300 represents the Exchange at the Budget rate of 1*s.* 4*d.* the rupee on the net increase of sterling Expenditure, and the remainder, Rx. 1,635,300, is due to the fall in the rate to 1*s.* 3*d.* the rupee.

SECTION III.—BUDGET ESTIMATE OF 1893-94.

57. The following statement compares the Revenue and Expenditure in India and in England in the Budget Estimate of 1893-94 with that in the Budget Estimate of 1892-93 :—

1893-94.
General Results.

	1892-93.	1893-94.	1893-94 better than 1892-93.	1893-94 worse than 1892-93.
REVENUE.				
India - - - - Rx.	88,066,700	89,690,900	1,624,200	—
England - - - - £.	200,800	193,500	—	7,300
Exchange - - - - Rx.	100,400	121,300	20,900	—
TOTAL - - - Rx.	88,367,900	90,005,700	1,637,800	—
EXPENDITURE.				
India—				
Imperial, Provincial, and Local Rx.	65,457,400	66,572,300	—	1,114,900
Adjustment of Provincial and Local Surplus or Deficit - Rx.	— 1,161,700	— 751,200	—	410,500
England - - - - £.	15,950,400	15,843,800	106,600	—
Exchange - - - - Rx.	7,975,200	9,935,900	—	1,960,700
TOTAL - - - Rx.	88,221,300	91,600,800	—	3,379,500
SURPLUS OR DEFICIT - - - Rx.	+146,600	—1,595,100	—	1,741,700

The reasons which have led the Government of India to take the very unusual course of adopting a Budget Estimate which results in a large deficit have been explained in Part I. A very substantial development of revenue is taken credit for. The increase of expenditure is also considerable; it would, however, have been more than covered by the increase in Revenue, but for the serious addition to the Exchange on sterling expenditure caused by the fall in the rate from 1s. 4d. to 1s. 2½d. the rupee.

58. The Estimates for next year anticipate an increase of Revenue in India over the Budget Estimate of 1892-93 of Rx. 1,624,200. Of this amount, an increase of Rx. 934,500 occurs in Imperial Revenue, and of Rx. 689,700 in Provincial and Local Revenue.

1893-94.
Revenue in
India.

59. There is only one important decrease of Revenue, namely, that under Opium, of Rx. 318,400. Of this, the larger part, Rx. 207,000, is caused by the reduction in the quantity of Bengal Opium to be offered for sale, necessitated by the failure of the crop last year and the exhaustion of the reserve; had it not been for the considerable rise in the price of opium, which enables us to count on securing a higher average price next year than that taken last March, the decrease in the Bengal Opium Revenue would have been very much larger. The remainder of the decrease is caused by the heavy falling-off in the exports of Malwa Opium from Bombay, and by the change in the Lower Burma Opium regulations described in paragraph 71 below.

1893-94.
Decrease of
Revenue in India.

A decision of the Government which leads to an appreciable diminution of Revenue may be mentioned here. It has been decided that officers who are entitled to make family remittances through the Government may do so at the rate of Exchange of 1s. 4½d. the rupee, instead of at 1s. 2½d., the rate fixed for the adjustment of transactions between England and India in 1893-94. This concession will, it is estimated, cost Rx. 77,700, and reduces the receipts under XXIV—Exchange by that amount. The increase in the receipts under that

head in connection with the Railway Companies' transactions, however, more than counterbalances this loss, and the receipts under XXIV.—Exchange in the Estimates for 1893–94 are slightly higher than in the Budget Estimates for 1892–93.

It may be mentioned also that the rate of 1s. 4½d. will be applied to the payment of furlough and absentee allowances in England as well as to remittances; the additional Expenditure entailed will appear in the sterling charges, which would be less were the official rate of exchange, 1s. 2¾d., applied to the calculation of the allowances due.

1893–94.
Increases of
Revenue in 1893–94.

60. The following are the more important increases of Revenue which are anticipated in the Budget Estimate :

	Rx.
Land Revenue, including that due to Irrigation - - - - -	592,900
Stamps - - - - -	204,500
Provincial Rates - - - - -	84,000
Telegraph - - - - -	58,200
Railways, State and Guaranteed - - - - -	722,600

The increase in Land Revenue is distributed over all Provinces except the North-Western Provinces. The Estimates for each Province will be noticed more in detail in paragraph 67.

It is believed safe to assume that most of the increase in Stamp Revenue in 1892–93 will be retained in 1893–94.

The Receipts under Provincial Rates generally rise or fall with the Receipts on account of Land Revenue, and the increase of Rx. 84,000 is contributed to by nearly all the Provinces.

Under Telegraph a moderate normal increase of Revenue is taken in the Estimates.

Under Railways it is assumed that the Revenue shown in the Revised Estimate of 1892–93 will be realised in 1893–94, together with an increase consequent on the increased mileage open, and on specific circumstances expected to develop the traffic on lines already opened.

1893–94.
Expenditure in
India.

61. The increase of Expenditure in India over the Budget Estimate of 1892–93 amounts to Rx. 1,114,900, composed of an increase of Rx. 835,700 in the Imperial Expenditure and Rx. 279,200 in the Provincial and Local Expenditure.

1893–94.
Decreases of
Expenditure in
India.

62. The decreases of Expenditure in India, which it has been found possible to secure next year, are unfortunately not large. The only important ones are:—

	Rx.
Assignments and Compensations - - - - -	37,800
Interest on Debt - - - - -	256,800
Famine Relief - - - - -	89,500
Construction of Railways charged against Revenue - - - - -	226,400
Irrigation—Minor Works - - - - -	93,600

The saving under Assignments and Compensations is secured by the stoppage of the Goa Subsidy of Rx. 40,000 and the Customs Tariff Compensation of about Rx. 6,000 payable to the Indo-Portugese Government under the treaty of 1879, which was abrogated with effect from the 15th January 1892. The saving of the subsidy in 1892–93 was counterbalanced by the payment of arrears of the Customs Tariff Compensation under the treaty, and of compensations to the owners of Salt Pans which were claimable under the treaty on its termination. Some of these last-mentioned compensations will remain over for settlement in 1893–94, as the assessment of the amounts due takes time.

The decrease under Interest is due to the amount transferred from Ordinary to Public Works Debt on account of the Capital outlay on Railways and Irrigation Works, and to a saving of Rx. 54,000 secured by the conversion, in July last, of Rx. 10,792,490 of the 4½ per cent. Loan into 4 per cent. Paper.

The scarcity which prevailed in March last in Madras and other Provinces rendered it necessary to make a considerable provision for Famine Relief in the Budget Estimate of 1892–93. Fortunately that necessity does not exist now. But the Governments of Madras and Bengal have judged it prudent to enter Rx. 30,000 and Rx. 10,000 respectively for possible Famine Relief next year as a precautionary measure.

Of the decrease under Construction of Railways charged against Revenue Rx. 118,300 is Imperial. In the general position of the finances as disclosed in this statement, it was impossible to allot anything from Revenue for the construction of Railways, and the Capital outlay next year has accordingly to be restricted to the grant not charged to Revenue and the sum available from the Famine Insurance Grant. The remainder of this decrease is Provincial: so large a provision as last year is not required for the Mayaveram-Mutupet Railway in Madras and the Hyderabad-Umarkot Railway in Bombay.

The Budget grant for Imperial Expenditure on Irrigation—Minor Works in 1892-93 included Rx. 44,000 for Famine Relief Works in Ajmere and Rajputana. It is not necessary to make a similar provision next year. Several of the Local Governments have also reduced their Provincial Expenditure under this head below the Budget Estimate of 1892-93.

63. The more important increases of Expenditure in India are—

	Rx.
Land Revenue - - - - -	81,400
Political - - - - -	61,700
State Railways—Working Expenses - - - - -	208,700
” ” Interest - - - - -	180,400
Military Works - - - - -	58,500
Civil Works - - - - -	140,800
Army - - - - -	686,800

1893-94.
Increases of
Expenditure in
India.

The increase under Land Revenue is due to expenditure on Surveys and Settlements in several Provinces, and to increased expenditure being necessary to collect the increased receipts.

The increase under Political is mainly caused by an increase of the Civil staff at Gilgit (partly by transfer from the Military Estimates), by the occupation of the Kurram Valley, by the demarcation of the Burma-Siam boundary, and by increased expenditure on Imperial Service Troops.

Of the increases in State Railway Expenditure, that for Working Expenses is required to earn the anticipated higher revenue, and that for Interest is a transfer from Ordinary Debt, following the yearly addition to the Capital Expenditure.

Of the increase under Military Works a portion is counterbalanced by a decrease in the sterling Expenditure in England, and the remainder is explained by the fact that a special deduction was made from the grant for 1892-93 in view of the excess expenditure in 1891-92.

The increase of Expenditure on Civil Works occurs entirely in the Provincial and Local section of the Accounts. The necessities of the position have compelled the Government of India to restrict Imperial Expenditure on Public Works. Burma and Assam are the Provinces in which the largest increases of Provincial Expenditure are proposed.

The last of the increases is the largest, that under Army. The main items of Expenditure accounting for the increase are—

	Rx.
Increased pay of British Troops owing to the fall in the rate of exchange from 1s. 4d. to 1s. 2½d. - - - - -	240,000
Grant of Armament pay to the Garrison Artillery necessitated by the similar grant in England - - - - -	14,900
Increased expenditure on Ordnance establishment and stores - - - - -	88,200
Increased cost of clothing British Troops under the new system promulgated in Army Circular No. 165 of 1892 -	27,100
A rise in the price of food for men and animals and an increase in the number of transport animals to be fed -	70,000
An increase in the gross amount of pensions to Native soldiers, and the payment of pensions in the Eastern Circle, Bengal, within the year for five quarters instead of for two half-years, in consequence of the transfer of the payments to the Civil Department - - - - -	23,500
Extension of grass-farming operations - - - - -	13,500

	Rx.
The provision made for the cost of the Kajuri Kach and Karram Valley Forces, and arrear charges of the Chin and Lushai Expeditions - - - - -	174,000
Transport and supply arrangements for feeding the Indian and Kashmir troops in Gilgit - - - - -	30,000
The reconstitution of the Hindustani Regiments - - - - -	12,500
The provision of Rx. 18,800 instead of Rx. 6,800 for the transfer of the 1-1st Goorkha Regiment from Dharmsala to a more healthy station - - - - -	12,000

In the above list no item which does not amount to a lakh of rupees is mentioned. There are other smaller items of increase, and, on the other hand, there are a few items of decreased expenditure.

1893-94.
Provincial and
Local Adjustments.

64. The entry of Rx. 410,500 opposite "Adjustment of Provincial and Local Surplus or Deficit" in the table in paragraph 57 means that the Local Governments propose to draw against their accumulated balances to a smaller extent than in the Budget Estimate of 1892-93. This reduction of the drawings against balances is due entirely to the improvement of Provincial and Local Revenues: and is secured notwithstanding an increase of expenditure. The increase of Provincial and Local Revenues is Rx. 689,700 and the increase of Expenditure Rx. 279,200.

1893-94.
Expenditure in
England.

65. A decrease of 106,600*l.* in the sterling expenditure in England is expected. A reduction of 54,400*l.* occurs under Special Defence Works, in consequence of the approaching completion of the payments due by India for the stores for the Aden Defence Works. Under Army there is a reduction of 97,000*l.* The cause of this is a diminution by 270,000*l.* in the payments for Ordnance stores. Considerable progress having been made with the re-arming of the Army in India, it may be hoped that these charges will still further decline in future years. On the other hand, the cost of other Military stores is increased by 66,300*l.*; payments for deferred pay are higher by 52,000*l.*, a consequence of the considerable augmentation of the strength of the British Army in India in 1885 and 1886; and the non-effective Army charges are increased by 56,300*l.*

The Marine charges in England also show an increase of 39,700*l.*, mainly because of further heavy payments to be made on account of the troopships Warren Hastings and Minto.

The variations in the remaining heads of the Home Estimates other than Marine, Army, and Special Defences, are smaller, and, on the whole, nearly counterbalance each other.

1893-94.
Exchange.

66. The increase of Rx. 1,960,700 in the Exchange on Expenditure in England is due to the fall in the rate of exchange from 1*s.* 4*d.* to 1*s.* 2½*d.* the rupee. Had it been possible to hope that Council Bills will be sold at an average rate of 1*s.* 4*d.* in 1893-94, the column for Exchange would have shown a small reduction proportionate to the decrease in sterling expenditure.

SECTION IV.—EXAMINATION OF THE ESTIMATES UNDER THE MORE IMPORTANT HEADS OF REVENUE AND EXPENDITURE.

LAND REVENUE.

67. The Estimates for 1892-93 and for 1893-94, and the Actuals for the three preceding years, are shown in the following statement:—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue, including that due to irrigation.	24,671,165	24,754,203	24,638,963	25,379,900	25,583,200	25,972,800
Expenditure - - -	3,624,194	3,676,596	3,835,126	4,031,000	3,956,100	4,112,300
Net - -	21,046,971	21,077,609	20,803,837	21,348,900	21,627,100	21,860,500

The

The Budget Estimate for 1892-93 was higher than it otherwise would have been, owing to the inclusion of arrears from the previous year, mostly in Madras, the collections having been postponed on account of scarcity. The south-west monsoon rains were favourable: such arrears, due to the scarcity, as have not been finally remitted have been collected except some in Ajmere; and the Revised Estimate is for an amount considerably in excess of the Budget Estimate. In Madras, though the Estimate of March last will be realised, the failure of the north-east monsoon is causing some anxiety in regard to a few districts, and prevents an increase over the Budget Estimate.

Land Revenue in 1892-93.

The North-Western Provinces and Oudh is the only Province in which the collections this year will fall below the Budget Estimate: floods in two districts and the fact that the estimate for the recovery of arrears was rather high account for this falling off.

In all other provinces the collections will appreciably exceed the Budget Estimate. The increase is explained mainly by the fact that the Estimates did not make sufficient allowance for the increases resulting from settlement operations and extension of cultivation.

Land Revenue in 1893-94.

In the Budget Estimate for 1893-94 a further considerable increase of Revenue is counted on. Except Bengal, where the increase is trifling, and the North-Western Provinces and Oudh, where there is a decrease of Rx. 26,400 owing to the amount of arrears to be recovered being taken at a lower figure, experience having shown that every year some considerable arrears remain uncollected, all provinces contribute to the increase, the amounts being—

	Increase as compared with the Budget Estimate for 1892-93.
	Rx.
India (chiefly Ajmere and Biluchistan)	29,600
Central Provinces	30,400
Lower Burma	155,000
Upper Burma	55,000
Assam	88,400
Punjab	77,000
Madras	47,800
Bombay	132,300

The progress of settlement operations is the cause of these increases in most cases: in the Punjab there will also be some receipts from the sale of lands in the Gujranwala District, in connection with the colonisation scheme for the utilisation of the newly opened Chenab Canal: (there were similar receipts this year which increased the Punjab Revenue in the Revised Estimate); in Sind and Burma larger Revenue will be secured from extension of cultivation as well as from settlement assessments: and in Ajmere there are arrears to be collected.

OPIUM.

68. The figures are —

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	8,583,056	7,879,182	8,012,380	7,634,000	7,966,500	7,316,200
Expenditure - - -	1,605,107	2,180,797	1,861,813	2,234,800	1,595,000	2,255,000
Net - - -	6,977,949	5,698,385	6,150,567	5,399,200	6,371,500	5,061,200

The Budget Estimate of the receipts from Bengal Opium was based on the assumption that 54,000 chests would be sold in the year, at an average price of R. 1,050. Owing to the failure of the crop, it became necessary to reduce the quantity to be sold each month to 3,642 chests, beginning with the sale of

Bengal Opium Revenue in 1892-93.

October 1892, and the total quantity sold in the year has accordingly been 48,852 chests only. On the other hand, the average price realised has been R. 1,247 a chest. The rise in price has more than counterbalanced the reduction in quantity, and in Bengal the Revised Estimate shows an increase of Rx. 422,200 over the Budget Estimate.

Bengal Opium
Revenue in 1893-94.

For next year the present price and the recent course of prices justify the assumption of an average price of R. 1,250, or R. 200 a chest, higher than that taken in the Budget Estimate of 1892-93. The reduction in the quantity to be sold is, however, so great that the receipts from the sales of Bengal Opium even at that price will be less than the Budget Estimate of this year by Rx. 207,000.

Bombay Opium
Revenue in 1892-93
and 1893-94.

The exports of Malwa Opium through Bombay have fallen much below the actuals of 1891-92. And, although some falling off was anticipated, the receipts in Bombay in 1892-93 are now expected to be less than the Budget Estimate by Rx. 100,900. For next year the Bombay receipts are placed at the same figure as in the Revised Estimate of this year.

Opium Expendi-
ture in 1892-93
and 1893-94.

The Opium Expenditure consists almost entirely of the payments for Bengal Opium. The crop this year was again a poor one, and, as an average crop was estimated for, there has been a saving of Rx. 639,800. For 1893-94 the Estimate again provides for the payments in connection with an average crop, it being too soon to forecast the outturn with confidence.

SALT.

69. The figures are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	8,187,739	8,523,368	8,636,182	8,544,700	8,648,600	8,587,800
Expenditure - - -	412,766	429,013	459,034	497,500	465,300	510,800
Net - - -	7,774,973	8,094,355	8,177,148	8,047,200	8,183,300	8,077,000

Salt Revenue
in 1892-93.

The consumption of salt has increased considerably for India as a whole, and the Revised exceeds the Budget Estimate by Rx. 103,900. The receipts are lower than last year in Madras, Bengal, and Burma, and much lower in Bombay. The increase in the receipts of the Northern India Salt Department however more than counterbalances the falling off elsewhere, and it is probable that Northern India salt has in some tracts displaced Bombay and imported salt.

Salt Revenue
in 1893-94.

The Budget Estimate for 1893-94 has been taken at a somewhat lower amount than the Revised Estimate for 1892-93.

STAMPS.

70. The figures are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	4,087,908	4,068,969	4,262,156	4,229,600	4,458,200	4,434,100
Expenditure - - -	124,373	130,019	138,447	140,900	141,400	154,700
Net - - -	3,953,535	3,938,950	4,123,709	4,088,700	4,316,800	4,279,400

The

The Stamp receipts in 1892-93 are expected to be in excess of the Budget Estimate by Rx. 228,600, the renewed improvement, which began in 1891-92 after the check in this head of Revenue in 1890-91, having continued this year. The increase this year being considerably in excess of the average, the Budget Estimate for next year has been placed slightly lower than the Revised Estimate of 1892-93.

Stamp Revenue in 1892-93 and 1893-94.

EXCISE.

71. The figures are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	4,891,894	4,947,780	5,117,264	5,102,400	5,203,600	5,145,900
Expenditure - -	156,739	175,053	190,097	206,100	194,100	208,800
Net - - -	4,735,155	4,772,727	4,927,167	4,896,300	5,009,500	4,937,100

As in England so in India, the Excise Revenue shows a constant tendency to rise. The Revenue in 1892-93 is now expected to be Rx. 101,200 in excess of the Budget Estimate, which was slightly below the actuals of 1891-92. The Punjab and Madras are the only Provinces which do not contribute to this increase. In the Punjab the decrease is nominal. In Madras the stoppage in the annual increment of Revenue which has occurred for several years is probably a consequence of the scarcity which was felt in that province up to July last.

Excise Revenue in 1892-93.

The increase is largest in Bengal, where the stricter policy introduced some years ago, which had for a time the effect of reducing the Revenue, is now producing the usual result of augmenting it.

The next largest increase is in Lower Burma: the Budget Estimate allowed for a reduction of the Excise Revenue in that province below the figure of 1891-92, because of certain measures designed to restrict the consumption of opium which were introduced rather more than a year ago: this expectation has not been fulfilled, and the Revenue in Lower Burma this year is expected to exceed that of 1891-92 by Rx. 33,300.

In the North-Western Provinces and Oudh some important changes of policy were introduced in the latter part of 1891-92. These changes were expected by the Local Government to result "in a very considerable decrease of Revenue during the first few years at least." Nevertheless the Revenue in 1892-93 will be Rx. 25,700 higher than that of 1891-92.

The Budget Estimate for 1893-94 of Excise Revenue for the whole of India except Lower Burma is taken at an amount rather higher than the Revised Estimate for this year.

Excise Revenue in 1893-94.

In Lower Burma it has been decided to make a very important change of policy, and to assimilate the rules regarding the sale, possession, and consumption, of opium to those in force in Upper Burma. The sale to and possession by persons of Burmese race will be generally prohibited. It is estimated that this change will involve an annual loss of Revenue of Rx. 150,000, of which Rx. 120,000 will occur under Excise and Rx. 30,000 under the head Opium. As the change was only finally decided on at the beginning of this month, and as the necessary arrangements for its introduction require some time to complete, the Chief Commissioner fears that he will not be able to introduce the change for two or three months, and it has been assumed for the purpose of the Estimates that the change will not be made till 1st July: accordingly the loss of Revenue in 1893-94 has been taken at three-fourths of the amounts named above.

FINANCIAL STATEMENT OF THE

CUSTOMS.

72. The figures are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	1,506,086	1,743,218	1,701,288	1,691,800	1,616,800	1,665,200
Expenditure - - -	135,021	134,652	131,363	142,300	139,900	144,800
Net - - -	1,371,665	1,608,566	1,564,925	1,549,500	1,476,900	1,520,400

Customs Revenue
in 1892-93 and
1893-94.

The Customs Revenue has not done well this year on the whole; but the chief cause of the falling off in the Revenue, as compared with the Budget Estimate for the year and with the actuals of 1891-92, is the diminished export of rice from Burma and Bengal. The crop in Burma is reported to be a good one but late, and the depression of trade in Europe is believed to have had some effect in retarding exports. Prices are high in Burma and Bengal, but low in Europe. If the exports are only retarded, the Revenue next year should show some recovery: for this reason, and because it is reasonable to expect that the special depression of the Customs Revenue which has occurred this year will to some extent disappear, the Budget Estimate for 1893-94 has been taken higher than the Revised Estimate of 1892-93.

ASSESSED TAXES.

73. The figures are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	1,595,274	1,617,396	1,652,823	1,645,200	1,683,100	1,687,200
Expenditure - - -	27,681	29,216	29,577	31,800	30,400	32,400
Net - - -	1,567,593	1,588,180	1,623,246	1,613,400	1,652,700	1,654,800

Income Tax
Revenue in 1892-93
and 1893-94.

The increase of Revenue under this head, which ought to accompany growth in wealth and population, and more effective administration of the tax, has been secured this year, and is assumed, to a smaller extent, in the Budget Estimate of next year.

FOREST.

74. The figures are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	1,486,303	1,448,002	1,490,582	1,567,200	1,627,600	1,588,800
Expenditure - - -	780,035	784,113	843,926	970,500	895,600	990,200
Net - - -	706,268	663,889	646,656	596,700	732,000	598,600

The

The increase in the receipts in 1892-93 occurs chiefly in Lower Burma, where the season was specially favourable for floating timber down the rivers. The recurrence of an equally favourable season in 1893-94 is not assumed in the Budget Estimate.

Forest Revenue in 1892-93 and 1893-94.

INTEREST.

75. The Interest receipts since 1889-90 are shown below :

Interest Revenue.

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget, Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
Revenue :						
India - Rx.	676,703	710,552	795,588	873,500	830,200	861,100
England - £.	135,633	166,194	58,466	25,000	24,000	20,000
Exchange - Rx.	60,865	54,304	25,389	12,500	14,400	12,500
TOTAL - Rx.	873,201	931,050	879,443	911,000	868,600	893,600

The Revised Estimate of Revenue in India is less than the Budget Estimate by Rx. 43,300. The Guaranteed Railways did not find it necessary to overdraw their Capital account to the extent anticipated, and the receipts from Interest on overdrawn Capital are less than the Estimate by Rx. 35,800. The Government of the North-Western Provinces reduced the rate of interest on the loans to certain municipalities from 4½ to 4 per cent. and made a refund in order to give retrospective effect to the reduction. The receipts in the North-Western Provinces and Oudh are consequently less than the Budget Estimate by Rx. 13,200. In other Provinces the Budget Estimate will be more than realised.

Interest Revenue in India in 1892-93.

The Bombay Port Trust have borrowed in the open market in order to repay the balance, amounting to Rx. 616,104, of a loan granted by Government some years ago, the favourable state of the money market enabling them to borrow at a lower rate than that fixed when the Government loan was made, and the Government have waived their right to receive the higher rate during the term of the loan, and agreed to accept repayment on 1st April next. This does not affect the Interest receipts in 1893-94, as the interest is payable yearly on 1st April, but it will reduce them in future years.

Interest Revenue in India in 1893-94

In 1893-94 the Railway Companies are not expected to overdraw their Capital account to a greater extent than this year, but the receipts of interest in India on loans to municipalities and agriculturists will increase with the yearly growth of the Capital amounts. The Governments of Bombay and Madras made in 1892-93 advances of a very large amount to agriculturists. The Government of India are anxious to extend these advances as much as possible, but the state of the balances renders it necessary to reduce the amounts available for the purpose in 1893-94 considerably below the amounts advanced this year.

The receipts in England in the Revised Estimate for 1892-93 and in the Budget Estimate for 1893-94 are lower than last year and than the Budget Estimate of this year, because the rate of interest obtainable on temporary investments of the cash balance has been unusually low, and the balances are expected to be such next year that little money will be available for temporary investment.

Interest Revenue in England in 1892-93 and 1893-94.

Interest Expenditure.

76. The Expenditure under Interest (other than that charged to Railways and Irrigation Works) has been as follows since 1881-82 :—

YEAR.	India.	England.	Exchange.	TOTAL.
	Rx.	£.	Rx.	Rx.
1881-82 - - - - -	1,827,369	2,513,126	518,461	4,858,956
1882-83 - - - - -	1,718,857	2,481,978	569,349	4,770,184
1883-84 - - - - -	1,516,887	2,447,333	559,241	4,523,461
1884-85 - - - - -	1,371,347	2,612,657	634,855	4,618,859
1885-86 - - - - -	1,136,962	2,429,243	764,656	4,330,861
1886-87 - - - - -	736,495	2,597,193	976,715	4,310,403
1887-88 - - - - -	662,025	3,365,509	1,414,220	5,441,754
1888-89 - - - - -	811,191	2,662,331	1,238,737	4,712,259
1889-90 - - - - -	760,375	2,402,478	1,078,110	4,240,963
1890-91 - - - - -	861,180	2,513,000	821,124	4,195,304
1891-92 - - - - -	529,662	2,639,345	1,146,169	4,315,176
1892-93, Budget - - - - -	383,100	2,396,000	1,198,000	3,977,100
1892-93, Revised - - - - -	449,500	2,433,600	1,460,100	4,343,200
1893-94, Budget - - - - -	169,900	2,394,400	1,501,600	4,065,900

Interest Expenditure in India.

In addition to the decrease in the Interest charges in India caused by the annual transfer from the Ordinary to the Public Works Debt, a further saving of Rx. 54,000 a year has been secured by a reduction of $\frac{1}{4}$ per cent. in the rate of interest payable on Rx. 10,792,490 of the rupee debt.

In 1890-91 an offer was made to convert the $4\frac{1}{4}$ per cent. loans of 1878 and 1879 into 4 per cent. paper on certain terms: the offer was accepted by holders of paper of the value of Rx. 8,313,000; and the balance of the two loans outstanding was reduced by that amount, and on the 1st April 1892 stood at Rx. 12,126,817. Under the terms of the loans repayment can be made, after three months' notice, on 15th September 1893. In order to reduce the amount to be dealt with on that date, a further offer for conversion into 4 per cent. paper was made, on terms less favourable to the holders than those of 1890, in the Notification No. 2290, dated 6th June 1892. Holders of paper for the amount of Rx. 10,792,490 accepted these terms. The result is that an annual saving of interest of Rx. 53,963 has been secured with effect from 30th June 1892, and that only a balance of Rx. 1,354,327 remains to be dealt with on 15th September next. For the reason explained in paragraph 53, the saving will not produce an effect on the Accounts until the year 1893-94.

Interest Expenditure in England.

The increase in the Expenditure in England in 1892-93 is caused by the discount on the sterling loan raised during the year.

POST OFFICE.

77. The figures are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	1,301,247	1,402,503	1,446,355	1,498,400	1,491,400	1,533,800
Expenditure - -	1,376,619	1,396,744	1,493,359	1,555,400	1,547,600	1,588,300
Net { Revenue (+) Expenditure (-) }	-75,372	+5,759	-47,004	-57,000	-56,200	-49,500

The net Expenditure this year and next will not differ much from that of the Budget Estimate for 1892-93 or the Actuals of 1891-92. The steady progress of the Department necessitates an annual increase of Expenditure; and also secures an annual increase of Revenue.

Post Office Revenue and Expenditure.

TELEGRAPH.

78. The figures for the Capital Account and the Revenue Account of the Telegraph Department are:—

	Accounts, 1888-89.	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Telegraph Capital Account:							
Receipts - - -	1,191	—	—	—	—	—	—
Expenditure - - -	158,858	162,080	179,928	195,170	217,700	208,200	228,400
Net Expenditure - -	157,667	162,080	179,928	195,170	217,700	208,200	228,400
Telegraph Revenue Account:							
Revenue - - -	740,957	766,865	781,035	919,335	892,600	937,700	951,500
Expenditure - - -	545,234	569,275	582,870	643,550	659,500	659,000	688,400
Net Revenue - -	195,723	197,590	198,165	275,785	233,100	278,700	263,100

The position of the Telegraph Department in regard to progress of Revenue and Expenditure is similar to that of the Post Office. The increase of Revenue this year will be greater than that taken in the Budget Estimate, and a further increase is assumed in 1893-94.

Telegraph Revenue and Expenditure.

MINT.

79. The figures are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	269,512	354,152	210,046	227,000	326,400	230,500
Expenditure - - -	120,530	121,888	97,109	115,300	113,600	104,200
Net - -	148,982	232,264	112,937	111,700	212,800	126,300

The coinage in 1890-91 was exceptionally large: in 1891-92 it was small: this year it has again risen very high, and the total for the year will not fall very much short of that in 1890-91. The Estimate for 1893-94 is framed for an average coinage.

Coinage and Mint Receipts.

The value of silver bullion presented at the Mints for coinage has been as under in the last few years:—

	Rx.
1884-85 - - -	5,610,880
1885-86 - - -	8,838,580
1886-87 - - -	3,622,170
1887-88 - - -	7,135,860
1888-89 - - -	6,550,852
1889-90 - - -	8,006,370
1890-91 - - -	12,547,736
1891-92 - - -	6,238,410
1892-93 (estimated) - - -	12,000,000

CIVIL DEPARTMENTS.

80. The figures of Expenditure for this group are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
General Administration - - -	1,759,193	1,740,465	1,791,317	1,831,600	1,881,900	1,882,600
Law and Justice:						
Courts - - - - -	2,716,275	2,759,431	2,840,007	2,860,600	2,874,400	2,902,600
Jails - - - - -	857,691	866,460	899,732	908,900	916,400	933,600
Police - - - - -	3,887,564	3,859,683	3,868,610	3,910,000	3,856,000	3,960,500
Marine (including River Navigation)	657,865	559,257	627,951	780,200	961,800	841,600
Education - - - - -	1,316,286	1,371,735	1,424,796	1,496,700	1,445,900	1,515,400
Ecclesiastical - - - - -	161,068	166,005	161,596	169,300	168,300	171,500
Medical - - - - -	785,243	806,937	884,684	931,100	935,300	949,200
Political - - - - -	655,254	770,541	767,711	771,600	824,700	835,700
Scientific and other Minor Depart- ments - - - - -	438,967	485,747	587,438	472,500	479,400	479,300
TOTAL - - -	13,235,406	13,386,261	13,853,842	14,132,500	14,344,100	14,472,000

General Adminis-
tration Expendi-
ture.

The Expenditure on General Administration—the larger part of the Indian Expenditure is Provincial—necessarily rises with the increase of the administration in efficiency and complexity. Over 60 per cent. of the increases shown in the totals given above under the head in the Revised Estimate for 1892-93 and in the Budget Estimate for 1893-94 occurs in the Exchange on the Sterling Expenditure.

Law and Justice,
Police, Education,
and Medical,
Expenditure.

The Expenditure under Law and Justice, Police, Education, and Medical, also tends to increase from year to year. The Expenditure on these heads is almost entirely Provincial and Local, and, as the Local Governments are mostly in a flourishing financial position, the difficulties of finding funds to devote to the improvement of the administration and to meeting the growing wants of the country are not so great as in the case of Imperial Expenditure.

Marine Expendi-
ture.

The increases under Marine are caused by the construction in England of the new vessels mentioned in paragraphs 55 and 65. In Bengal and Burma also expenditure is being incurred on the construction of a pilot vessel, a light-ship, and steam-launches. The charges in other Provinces and of the Imperial Marine Department are not increasing.

Political Expendi-
ture.

The reasons for the increase of Political Expenditure this year and next have been explained in paragraphs 53 and 63.

MISCELLANEOUS CIVIL CHARGES.

81. The figures for this group are—

	Accounts, 1889-90.	Accounts, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Territorial and Political Pen- sions.	535,582	527,569	557,909	536,200	542,100	529,400
Civil Furlough and Absentee Allowances.	297,475	232,747	276,362	314,500	335,400	341,000
Superannuation Allowances and Pensions.	3,140,361	3,051,541	3,324,109	3,497,600	3,801,500	3,789,300
Stationery and Printing -	558,730	592,436	602,885	576,800	627,100	635,100
Miscellaneous - - -	282,135	274,223	285,307	245,800	253,000	243,300
TOTAL - - -	4,814,283	4,678,516	5,046,622	5,170,900	5,559,100	5,538,100

The

The only heads in this group regarding which any explanation seems necessary are the second and third. In addition to the increase caused by the fall in exchange and, in the case of pensions, by the normal increase in the number of pensioners, the Expenditure under both these heads in the Revised Estimate is augmented by the practice recently introduced in England of paying the allowances monthly instead of quarterly. Pensioners have availed themselves of the concession to a smaller extent than officers on leave, and some provision is made in the Budget Estimate for pensioners making their election to draw monthly after the close of this year. The addition from this cause is not a permanent increase to the Expenditure, but occurs only while the change is being introduced.

Furlough Allowances and Pension Expenditure.

FAMINE RELIEF AND INSURANCE.

82. The figures are—

EXPENDITURE.	Accounts, 1889-90.	Actuals, 1890-91.	Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	Rx.	x.	Rx.	Rx.	Rx.	Rx.
Famine Relief - - -	68,288	5,579	23,423	130,000	76,800	40,500
Construction of Protective Railways - - -	-	-	484,795	1,011,700	993,900	1,054,300
Construction of Protective Irrigation Works - -	71,457	74,392	77,931	65,000	63,000	65,000
Reduction of Debt - -	460,255	520,029	682,170	-	-	-
TOTAL - - -	600,000	600,000	1,268,319	1,206,700	1,133,700	1,159,800
Net charge on account of the Bengal-Nagpur and the In- dian Midland Railways -	482,009	482,351	231,681	293,300	366,300	340,200
TOTAL EXPENDITURE CHARGEABLE TO THE FAMINE GRANT -	1,082,009	1,082,351	1,500,000	1,500,000	1,500,000	1,500,000

The reduction in the amounts to be spent this year and next year on Famine Relief has been explained in paragraphs 52 and 62.

Expenditure on Famine Relief.

The increase in the net loss on the two Railways this year and next, as compared with the Budget Estimate of 1892-93, is mainly due to the fall in the rate of exchange, the interest charges being payable in sterling.

Loss on Famine Railways.

The balance available from the Famine Insurance Grant of Rx. 1,500,000, after meeting the charges for Famine Relief, Protective Irrigation Works, and the loss on the two Railways, is applied to Capital Expenditure on the construction of Railways.

Capital Expenditure on Protective Railways.

FINANCIAL STATEMENT OF THE

RAILWAYS.

83. The following table shows the main features of the Railway Revenue Account since 1889-90 :—

	REVENUE.							EXPENDITURE.					
	Actuals, 1889-90.	Actuals, 1890-91.	Actuals, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.		Actuals, 1889-90.	Actuals, 1890-91.	Actuals, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.		Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
	16,605,177	17,234,698	19,936,289	18,831,100	19,062,600	19,548,800	India -	10,331,564	10,357,861	12,145,772	11,794,400	11,617,700	12,192,500
	293	965	1,225	1,100	1,000	1,200	England -	5,609,417	5,702,207	5,653,176	5,741,800	5,723,300	5,748,400
	131	315	532	500	600	700	Exchange	2,517,221	1,863,201	2,454,962	2,871,000	3,434,000	3,604,900
Loss on the Railway Account.	1,852,601	687,281	315,864	1,574,500	1,710,800	1,994,100		—	—	—	—	—	—
TOTAL -	18,458,202	17,923,269	20,253,910	20,407,200	20,775,000	21,545,800	TOTAL -	18,458,202	17,923,269	20,253,910	20,407,200	20,775,000	21,545,800

Railways in
1892-93.

The net loss on the Railway Revenue Account in the current year is now expected to amount to Rx. 1,710,800, or Rx. 136,300 in excess of the loss taken in the Budget Estimate. The net traffic receipts of State Railways are increased by Rx. 311,900; the sterling payments of interest in England are less by 18,500l.; but the fall in Exchange causes an additional charge under Exchange amounting to Rx. 563,000. The surplus profits payable to the old Guaranteed Railway Companies are increased by Rx. 31,600. The Miscellaneous Railway Expenditure will be less than the Budget Estimate by Rx. 70,100, owing to a refund by the Assam-Bengal Railway Company of past outlay incurred by the State on Surveys of the line.

State Railways,
1892-93.

The gross traffic receipts of State Railways will probably exceed the amount entered in the Budget by Rx. 235,500, while the saving in working expenses will be Rx. 76,400.

The principal fluctuations in net receipts are the following :—

	Revised Estimate more (+) or less (—) than the Budget Estimate.
	Rx.
East Indian - - - - -	+ 156,500
Rajputana-Malwa - - - - -	+ 244,300
Mu Valley - - - - -	— 30,500
Burma - - - - -	+ 95,000
Bengal and North-Western and Tirhoot	— 12,500
Patna-Gya - - - - -	— 14,500
Oudh and Rohilkhand - - - - -	— 10,000
Indian Midland - - - - -	+ 12,500
Bengal Nagpur - - - - -	— 35,000
North-Western - - - - -	— 110,000
South Indian - - - - -	+ 25,300

As was the case last year on the lines showing a considerable increase, the principal cause of the improvement is heavier traffic in wheat and seeds. The increase on the Rajputana-Malwa Railway is almost entirely attributable to this cause. On the East Indian Railway there has also been an improvement in coaching traffic, and the absorption into this system of the Patna-Gya Railway

Railway accounts for a portion of the improvement. On the Burma Railway there has been an unusually brisk traffic in rice, more particularly during the later months.

The increase in the net receipts of the South Indian Railway is caused by reduction in working expenses, owing to the extensive renewals allowed for not having been carried out.

The large decrease in the case of the North Western Railway is due to great depression in traffic caused by diminution of grain exports and by breaches of the line during the monsoon. The decrease in the case of the Mu Valley Railway is due to the estimates of receipts and working expenses having been based on insufficient data, while that in the case of the Bengal Nagpur is attributable to a partial local failure of crops.

The receipts on the Bengal and North Western and Tirhoot System are slightly in excess of the original estimate, but the Company's share of net earnings is higher than was anticipated, and the Government share smaller. The Patna-Gya Railway has been incorporated with the East Indian Railway from 1st July 1892. On the Oudh and Rohilkhand Railway the receipts are higher than the original estimate, but the expenses have increased to a larger extent owing to heavy repairs and renewals of permanent-way.

The Madras Railway and the Bombay Baroda and Central India Railway show improvements of Rx. 15,000 and Rx. 65,000, respectively, in net receipts. The gross earnings of the Bombay Baroda and Central India Railway exceed the Budget Estimate by Rx. 80,000, due chiefly to heavier traffic in seeds and cotton. Part of the improvement has been absorbed by increased charges for working. The Great Indian Peninsula Railway shows a decrease in net receipts of Rx. 80,000. There have been increased charges owing to renewals of engines, the fall in the rate of exchange, and payments to other lines of their shares of through traffic earnings.

Guaranteed Railways, 1892-93.

In 1893-94 the gross receipts of State Railways are estimated at Rx. 512,100 more than the Revised Estimate of 1892-93. The most noticeable variations in net receipts, from the Revised Estimate of 1892-93, are as follows:—

State Railways, 1893-94.

	Rx.
East Indian - - - - -	+ 45,000
Rajputana-Malwa - - - - -	—35,000
Oudh and Rohilkhand - - - - -	+ 10,000
Indian Midland - - - - -	+ 20,000
North Western - - - - -	+ 75,000
Bengal-Nagpur - - - - -	+ 35,000
South Indian - - - - -	+ 17,500
Southern Mahratta - - - - -	+ 18,000

The expectation of so considerable an improvement over the probable receipts of this year may seem sanguine. But the several increases have been taken either—

- (1.) In consequence of additional mileage recently opened or to be opened next year; or
- (2.) In the case of more recently opened lines, in the hope that the average increase of receipts secured in past years will continue in 1893-94; or
- (3.) In the case of the older lines showing exceptionally bad results in 1892-93, by the expectation of a return to normal conditions in 1893-94;

and it is believed that they will be secured. The traffic on the Rajputana-Malwa

Malwa Railway during 1892-93 has been so specially favourable that it has not been considered prudent to anticipate such good results in 1893.

Guaranteed Railways, 1893-94.

The net traffic receipts of the Guaranteed Railways are taken at Rx. 3,235,000 or Rx. 25,000 below the Revised Estimate of 1892-93. The estimate for the Madras Railway is the same as the Revised Estimate for 1892-93. In the case of the Bombay Baroda Railway, it has not been considered prudent to anticipate so large a traffic as in 1892-93, but the reduction in earnings has been to a large extent counterbalanced by a reduction in expenses owing to the completion in 1892-93 of repairs and damages by floods, the net result being a decrease of Rx. 5,000 only. The net receipts of the Great Indian Peninsula Railway are estimated at Rx. 20,000 less than in 1892-93, in consequence of a larger provision for renewal of engines.

IRRIGATION.

84. The figures are—

	Actuals, 1889-90.	Actuals, 1890-91.	Actuals, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Revenue - - -	1,991,078	2,172,578	2,272,040	2,216,700	2,404,300	2,337,700
Expenditure - -	2,652,707	2,742,128	2,945,019	2,919,500	2,982,300	2,860,100
Net Expenditure -	661,629	569,550	672,979	702,800	578,000	522,400

Irrigation Revenue and Expenditure in 1892-93 and 1893-94.

The Revised Estimate of receipts is higher than the Budget Estimate for the current year by Rx. 187,600, the increase being due to extended irrigation in the North-Western Provinces and Oudh, the Punjab, Bombay, and Madras.

The decrease of Rx. 66,600 in the receipts for 1893-94, as compared with the Revised Estimate of the current year, is due mainly to the demand for water in the Punjab and North-Western Provinces and Oudh having fallen off considerably owing to abundant rain in the autumn of 1892, and partly also to the fact that the realisation of the current year in Bengal has been swollen by collection of arrears.

The decrease would have been larger but for an increase of Rx. 90,300 in Madras, due to new settlements and extension of irrigation.

Net Earnings of Major Irrigation Works.

The gross receipts, working expenses, and net earnings of major Irrigation works for the five years ending 1891-92, and the Revised and Budget Estimates for 1892-93 and 1893-94, are as follows:—

	ACTUALS.					Revised Estimate.	Budget Estimate.
	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Direct receipts - - - - -	950,961	1,061,802	1,132,584	1,284,683	1,404,737	1,487,200	1,323,700
Portion of land revenue due to irrigation	602,555	671,041	689,766	708,996	673,189	725,600	815,600
TOTAL REVENUE -	1,553,516	1,732,843	1,822,350	1,993,679	2,077,926	2,212,800	2,139,300
Working expenses - - - - -	677,607	721,676	727,558	758,413	761,445	790,600	776,100
NET REVENUE - -	875,909	1,011,167	1,094,792	1,235,266	1,316,481	1,422,200	1,363,200

Complete information is not available at present for the purpose of bringing out the general results to the end of 1893-94 of Irrigation works for which Capital and Revenue Accounts are kept, but the results obtained in 1890-91 (final) and in 1891-92 (approximately final) are given below :—

Financial Results in 1890-91 and 1891-92 of Irrigation Works for which Capital Accounts are kept.

	Major Works.	Minor Works.	Total.
1890-91.			
CAPITAL OUTLAY.			
(Direct and Indirect.)			
	Rx.	Rx.	Rx.
During 1890-91 - - - - -	578,876	69,865	648,741
To end of 1890-91 - - - - -	27,325,317	4,294,993	31,620,310
REVENUE ACCOUNT.			
Gross Revenue - - - - -	2,025,891	493,123	2,519,014
Maintenance and Working - - - - -	790,583	273,113	1,063,696
Net Revenue - - - - -	1,235,308	220,010	1,455,318
Interest - - - - -	1,081,435		
Net Profit - - - - -	153,873		
Percentage of net Revenue of the year on the Capital outlay to end of the year - - -	4.52	5.12	4.60
1891-92.			
CAPITAL OUTLAY.			
(Direct and Indirect.)			
During 1891-92 - - - - -	859,239	75,333	934,572
To end of 1891-92 - - - - -	29,636,329	4,636,651	34,272,980
REVENUE ACCOUNT.			
Gross Revenue - - - - -	2,108,788	452,037	2,560,825
Maintenance and Working - - - - -	840,419	312,141	1,152,560
Net Revenue - - - - -	1,268,369	139,896	1,408,265
Interest - - - - -	1,109,673		
Net Profit - - - - -	158,696		
Percentage of net Revenue of the year on Capital outlay to end of the year - - -	4.28	3.02	4.11

BUILDINGS AND ROADS.

85. The figures are—

REVENUE.

	Actuals, 1889-90.	Actuals, 1890-91.	Actuals, 1891-92.	Budget, 1892-93.	Revised, 1892-92.	Budget, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Military and Civil Works - - - - -	650,398	649,289	627,124	606,400	639,100	623,900

EXPENDITURE.

	Actuals, 1889-90.	Actuals, 1890-91.	Actuals, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Military Works -	1,138,463	1,220,676	1,214,518	1,183,800	1,190,200	1,199,700
Civil Works - -	4,273,726	4,510,231	4,994,234	4,736,300	4,737,200	4,890,900

Revenue.

The improvement in Revenue in the Revised Estimates is due mainly to the sale of certain ferry plant and stores in the North-Western Provinces and Oudh and to the sale of a Government building in Burma.

Expenditure.

The increase in Military Works expenditure in the Revised Estimates is due to large expenditure having been incurred in providing accommodation for troops in the Chin Hills. There is a decrease in Imperial Civil Works expenditure of Rx. 37,400, due mainly to transfer of grants to the head Minor Works and Navigation to provide for outlay on Famine Relief works in Upper Burma.

The Military Works Budget for 1893 94 provides for a small increase in expenditure, while the Civil Works Budget provides for an increased expenditure of Rx. 154,600, all of which is Provincial and Local, the Provincial balances, especially in Lower Burma and Assam, admitting of larger assignments for expenditure on public works.

Provincial Public Works Expenditure.

The figures for the Provincial portion of the Civil Works expenditure are—

	Actuals, 1889-90.	Actuals, 1890-91.	Actuals, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Provincial Civil Works Outlay - - -	1,945,626	2,188,276	2,461,115	2,198,500	2,191,500	2,280,600

Distribution of the Provincial Public Works Expenditure over the various classes of Works.

Full details of the proposed appropriation of the outlay provided for in the Estimates are not yet available at present, but a general idea can be gathered from the accounts of the past two years and the budget estimate of the current year. The figures are :—

	Actuals, 1890-91.	Actuals, 1891-92.	Budget, 1892-93.
	Rx.	Rx.	Rx.
Erection of new buildings - - - -	660,464	739,312	639,515
Construction of roads - - - -	269,824	287,676	208,240
Works of public improvement - - - -	51,235	176,099	103,473
Repairs of buildings - - - -	177,263	191,346	182,449
Repairs of roads - - - -	459,831	473,929	467,802
Repairs of works of public improvement -	25,715	26,244	25,009
Establishment - - - -	464,611	453,075	488,692
Tools and plant - - - -	26,816	28,004	34,700
Suspense - - - -	—5,477	32,071	8,500
Miscellaneous expenditure by Civil officers in charge of Public Works - - -	57,994	53,359	40,120
TOTAL - - -	2,188,276	2,461,115	2,198,500

ARMY.

86. The figures for Army Expenditure from 1884-85 are as follows:—

YEARS.	India.	England.	Exchange.	TOTAL.
	Rx.	£.	Rx.	Rx.
1884-85 - - - - -	12,023,629	3,974,422	965,752	16,963,803
1885-86 - - - - -	15,247,083	3,669,380	1,161,311	20,097,779
1886-87 - - - - -	14,620,516	3,564,166	1,340,360	19,525,042
1887-88 - - - - -	15,104,908	3,741,015	1,572,011	20,417,934
1888-89 - - - - -	14,812,591	3,746,205	1,743,045	20,301,841
1889-90 - - - - -	14,944,095	3,957,703	1,776,016	20,677,814
1890-91 - - - - -	14,799,128	4,440,125	1,450,815	20,690,068
1891-92 - - - - -	15,741,062	4,559,513	1,980,026	22,280,601
1892-93 { Budget - - - - -	15,006,700	4,594,500	2,297,300	21,898,500
{ Revised - - - - -	15,522,200	5,022,300	3,013,400	23,557,900
1893-94 - - - - -	15,693,500	4,497,500	2,820,400	23,011,400

The variations in the figures for 1892-93 and 1893-94 are explained in Army Expenditure paragraphs 53, 55, 63, and 65.

SPECIAL DEFENCE WORKS.

87. The following table shows the Expenditure on "Special Defence Works":—

		Rx.
<i>Charged to 44—Military Works.</i>		
To end of 1886-87 - - - - -		150,409
<i>Charged to 47—Special Defence Works.</i>		
1886-87 - - - - -		325,626
1887-88 - - - - -		456,017
1888-89 - - - - -		789,595
1889-90 - - - - -		689,481
1890-91 - - - - -		491,837
1891-92 - - - - -		604,848
1892-93 { Budget Estimate - - - - -		614,500
{ Revised " - - - - -		559,300
1893-94 Budget " - - - - -		536,600

Expenditure on Defence Works since their commencement.

The anticipated short expenditure during the current year is attributable to the expenditure in England on stores and armaments having been over-estimated.

The Budget Estimate for 1893-94 is less than the Revised Estimate for 1892-93 by Rx. 22,700.

The total expenditure on Special Defence Works being estimated at Rx. 5,030,000, if the amounts shown above for 1892-93 and 1893-94 are spent, there will remain Rx. 426,287 to be incurred in 1894-95 and future years.

FINANCIAL STATEMENT OF THE

UPPER BURMA.

Cost of Upper
Burma

88. The following tables give the Revenue, the Expenditure, and the net Expenditure, on account of Upper Burma, from the year following the annexation :—

REVENUE.

	Land Revenue.	Other Civil Revenue.	State Railway Receipts.	TOTAL.
	Rx.	Rx.	Rx.	Rx.
1886-87 - - - - -	167,200	55,300	—	222,500
1887-88 - - - - -	378,800	123,500	—	502,300
1888-89 - - - - -	436,000	284,600	31,900	752,500
1889-90 - - - - -	539,600	333,500	161,400	1,034,500
1890-91 - - - - -	616,000	319,400	193,300	1,128,700
1891-92 - - - - -	582,600	309,100	223,600	1,115,300
1892-93 (Revised) - - - - -	710,000	410,100	22,500	1,142,600
1893-94 (Budget) - - - - -	710,000	375,100	35,000	1,120,100

EXPENDITURE.

	Police.	Other Civil Expenditure.	Railways (including Interest on Capital).	Military Works.	Civil Works.	Irrigation.	Army Special Expenditure.	TOTAL.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
1886-87 - - - - -	849,000	165,100	—	74,000	171,500	13,800	1,517,800	2,291,200
1887-88 - - - - -	709,200	265,700	—	314,800	343,000	12,600	1,475,300	3,120,600
1888-89 - - - - -	794,900	436,700	103,300	160,900	295,900	24,800	631,600	2,448,100
1889-90 - - - - -	861,700	393,700	218,700	142,500	296,800	19,200	435,800	2,368,400
1890-91 - - - - -	735,800	435,600	227,500	141,500	292,700	28,200	350,300	2,211,600
1891-92 - - - - -	684,600	467,000	243,300	152,200	336,100	100,600	529,200	2,507,200
1892-93 (Revised) - - - - -	649,800	530,800	105,200	162,100	260,100	119,500	490,000	2,317,500
1893-94 (Budget) - - - - -	659,800	573,700	124,000	150,000	300,000	50,000	505,000	2,362,500

NET EXPENDITURE.

1886-87.	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93 (Revised).	1893-94 (Budget).
Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
2,068,700	2,618,300	1,695,600	1,333,900	1,082,900	1,391,900	1,174,900	1,242,400

SECTION V.—EXPENDITURE NOT CHARGED TO REVENUE.

89. The following table gives the figures of the Estimates for 1892-93 and 1893-94 for Capital Expenditure on Railways, exclusive of sums found by Local Governments out of Provincial resources, the amounts charged to the Famine Grant and to the head "37—Construction of Railways" being included for convenience, although charged to Revenue:—

Capital Expenditure on Railway Construction.

	India.	England.	Exchange.	TOTAL.
	Rx.	£.	Rx.	Rx.
1892-93, Budget Estimate	2,542,000	1,382,000	691,000	4,615,000
1892-93, Revised Estimate	2,880,300	1,068,000	640,800	4,589,100
1893-94, Budget Estimate	1,980,200	1,151,800	722,300	3,854,300

Of the totals shown above, the following amounts are taken as charges against the Famine Relief Grant, namely, in the Budget Estimate of 1892-93, Rx. 1,011,700; in the Revised Estimate, 1892-93, Rx. 993,900; and in 1893-94, Rx. 1,054,300.

The Capital Expenditure on Railways in 1892-93 will be less than the Budget Estimate by Rx. 25,900.

During the course of the year additional funds were allotted for the East Coast, Godhra-Rutlam, Tirhoot and East Indian Railways, but, on the other hand, the grant for the Assam-Bengal Railway was withdrawn on the transfer of that line to a Company, and the allotment was further reduced by the amount of the refund by that Company of the outlay incurred by the State in the previous year. The heaviest expenditure has been incurred on the East Coast, the Mu Valley, the Godhra-Rutlam, and the Mushkaf-Bolan lines. The Villupuram-Guntakal Section of the South Indian Railway, the Dharmaveram-Hindupur Extension, and the Barsoe-Kishengunge Branch, will be practically completed at the close of this year.

The provision for 1893-94 is less than the estimated expenditure during 1892-93 by Rx. 734,800. Large grants have been allotted to the East Coast, Mushkaf-Bolan, Mu Valley, Godhra-Rutlam, and Bareilly-Rampur-Moradabad Railways, but, owing to the reduced grant available, work on the Mari-Attock line has been partially suspended. The funds allotted will, it is anticipated, be sufficient to advance work on the Godhra-Rutlam Railway and on the Jherriah Extension of the East Indian Railway, so as to admit of the lines being opened before the close of the year. A considerable length of the East Coast line will also be advanced sufficiently to admit of its being opened for public traffic, and the Lucknow-Rai Bareilly line will be practically completed during the year.

The following figures show the rate at which railways have been constructed at the cost of, or on the responsibility of, the Government since 1880:—

Increase in the open mileage of Railway since 1880.

Date.	Number of Miles Open.
31st March 1880	8,382
" 1881	9,134
" 1882	9,437
" 1883	9,748
" 1884	10,230
" 1885	11,283
" 1886	11,634
" 1887	12,536
" 1888	13,448
" 1889	14,184
" 1890	14,832
" 1891	15,621
" 1892	16,018
" 1893 (Estimate)	16,440

Expenditure on
Railway Construction
since 1879-80.

The following table gives the total Capital Outlay on Railway Construction up to date :—

	State Railways.	State Railways Constructed through the Agency of Companies.	Guaranteed Railways.	Total.	Annual Progress.
To end of—	Rx.	£.	£.		
1879-80 - - - -	27,083,837	—	96,829,069	124,813,806	—
1880-81 - - - -	67,201,066	—	66,348,478	133,549,544	8,735,738*
1881-82 - - - -	70,546,309	—	67,021,756	137,568,065	4,018,521
1882-83 - - - -	72,776,870	468,270	67,431,448	140,676,588	3,108,523
1883-84 - - - -	76,629,723	704,155	68,769,369	146,103,247	5,426,659
1884-85 - - - -	81,365,833	3,126,906	69,904,427	154,397,166	8,293,919
1885-86 - - - -	90,839,553	4,775,059	67,883,682	163,498,294	9,101,128†
1886-87 - - - -	108,456,220	7,915,378	57,046,325	173,417,923	9,919,629‡
1887-88 - - - -	110,788,941	12,979,680	57,694,898	181,463,519	8,045,596
1888-89 - - - -	111,990,360	18,097,843	58,313,774	188,401,977	6,938,458
1889-90 - - - -	124,058,103	20,410,257	49,385,293	193,853,653	5,451,676
1890-91 - - - -	131,920,346	21,793,709	45,091,263	198,805,318	4,951,665§
1891-92 - - - -	135,398,034	22,709,508	45,137,155	203,244,697	4,439,379
1892-93, Revised - - -	140,121,534	23,681,708	45,172,655	208,975,897	5,731,200
1893-94, Budget - - -	144,050,934	25,223,208	45,672,955	214,947,097	5,971,200

* Includes Rx. 2,790,140 on account of past expenditure on the East Indian Railway, which must be deducted to arrive at the normal annual progress.

† Includes Rx. 294,987 on account of Eastern Bengal Railway.

‡ Includes Rx. 1,007,244 on account of Scinde Punjab and Delhi Railway Company.

§ Includes Rx. 207,104 on account of South Indian Railway Company.

Capital Expendi-
ture on Irrigation
Works.

90. The figures of the Accounts and Estimates for Capital Expenditure on Irrigation Works not charged to Revenue are :—

Actuals, 1889-90.	Actuals, 1890-91.	Actuals, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.
Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
378,932	483,849	729,664	550,000	550,000	750,000

The Revised Estimate for the current year agrees with the Budget Estimate. The increase in provision for the coming year is due to its having been decided to augment the provision for irrigation works in certain Provinces, owing to the excellent financial results obtained from them.

The

The Capital outlay on Major Irrigation Works to end of 1891-92 amounted to Rx. 28,158,459. The principal works in progress are :—

Distribution over the several works of the Capital Expenditure on Irrigation.

Name of Work.	Provision during	
	1892-93.	1893-94.
CAPITAL EXPENDITURE NOT CHARGED AGAINST REVENUE.	Rx.	Rx.
BENGAL:		
Orissa canals - - - - -	37,800	42,500
Son canals - - - - -	15,400	17,500
NORTH WESTERN PROVINCES AND OUDH :		
Ganges canal - - - - -	13,500	19,100
Lower Ganges canal - - - - -	17,100	35,100
PUNJAB:		
Western Jumna canal, including Sirsa Branch - - - - -	75,800	90,300
Bari Doab canal - - - - -	26,200	60,000
Sirhind canal - - - - -	15,000	9,500
Chenab canal, including extension - - - - -	153,000	180,000
MADRAS:		
Kistna Delta System - - - - -	32,700	47,100
Periyar project - - - - -	129,700	117,500
Other projects - - - - -	51,800	156,300
	568,000	774,900
Deduct—outlay incurred from ordinary funds - - - - -	18,000	24,900
TOTAL - - - - -	550,000	750,000
Protective Irrigation Works - - - - -	63,000	65,000
GRAND TOTAL - - - - -	613,000	815,000

SECTION VI.—WAYS AND MEANS.—HOME TREASURY.

91. The Budget and Revised Estimates of the transactions of the Home Treasury for 1892-93 compare as follows :—

	Budget, 1892-93.	Revised, 1892-93.
<i>Net Receipts.</i>		
	£.	£.
Council Bills - - - - -	17,000,000	17,200,000
3 per Cent. Stock issued - - - - -	1,800,000	1,300,000
Capital Receipts from Railway Companies - - - - -	1,788,200	1,547,700
Deposits and advances - - - - -	4,600	—300
Add,—Opening Balance - - - - -	3,261,050	4,122,626
TOTAL - - - - - £.	23,853,850	24,170,026
<i>Net Outgoings.</i>		
Excess of Expenditure over Revenue - - - - -	15,749,600	16,352,200
Capital expenditure of Government in England - - - - -	1,385,700	1,076,200
Permanent Debt—		
Discharge of Oudh and Rohilkhund Railway Debentures - - - - -	1,770,300	1,770,300
Discharge of South Indian Railway Debentures - - - - -	150,000	150,000
5 per Cent. and 4 per Cent. Stock discharged - - - - -	—	900
Issues to Railway Companies on Capital Account - - - - -	1,430,300	950,600
On account of remittance from India - - - - -	1,191,800	1,287,000
Add,—Closing Balance - - - - -	2,176,150	2,602,826
TOTAL - - - - - £.	23,853,850	24,170,026

1892-93, Council Bills.

The total estimate of the Secretary of State's drawings for the two years 1892-93 and 1893-94 is 35,900,000*l.* To reduce to some extent the very large drawings in 1893-94, the Secretary of State has raised the drawings of the current year above the Budget Estimate of 17,000,000*l.*, and it is now expected that 17,200,000*l.* will be drawn in 1892-93.

Sterling loans in 1892-93.

The Southern Mahratta Railway Company Debentures for 600,000*l.*, which it was intended, as stated in paragraph 99 of the last Financial Statement, to discharge on 31st March 1892 were renewed. The Secretary of State was consequently able to reduce the amount of the sterling loan of the year from 1,800,000*l.* to 1,300,000*l.* The loan was issued at an average price of 96*l.* 18*s.* 4½*d.* per cent.

1892-93, Capital transactions with Railway Companies.

92. The Capital transactions with the Railway Companies vary with the changes in the programmes of the Companies. The Estimates for 1892-93 as now prepared show an increase in the net receipts from the Companies of 239,200*l.* The following statement shows the details of the transactions:—

	Budget.	Revised.
RECEIPTS.		
On account of Subscribed Capital:		
State:	£.	£.
Bengal-Assam - - - - -	1,500,000	1,179,000
Guaranteed:		
Great Indian Peninsula Railway - - -	90,400	259,600
Madras Railway - - - - -	197,800	100,000
On account of Transfer and Miscellaneous Refunds - -	—	9,100
TOTAL - - - £.	1,788,200	1,547,700
ISSUES.		
For discharge of Debentures:		
Guaranteed:		
Great Indian Peninsula Railway - - -	40,400	—
Madras Railway - - - - -	97,800	—
For Stores, Establishment Charges, &c.:		
State:		
Bengal-Assam Railway - - - - -	300,000	194,100
Bengal-Nagpur Railway - - - - -	207,500	118,200
Indian Midland Railway - - - - -	64,700	64,600
Southern Mahratta Railway - - - - -	53,300	33,100
Other Railways - - - - -	9,600	7,800
Guaranteed:		
Bombay Baroda and Central India Railway -	120,000	122,700
Great Indian Peninsula Railway - - -	485,000	352,800
Madras Railway - - - - -	102,000	67,800
TOTAL - - - £.	1,480,300	950,600

The Assam-Bengal Railway Company was expected to raise its whole capital of 1,500,000*l.* in 1892-93; 102,905*l.* was, however, paid in March 1892, and only 1,179,000*l.* is expected to be paid this year, leaving 218,095*l.* to be paid hereafter. The receipts from the Great Indian Peninsula Railway are now expected to exceed the Budget Estimate by 169,200*l.*, fresh Capital having

having been raised to the extent of 209,600*l.* in excess of the Estimate, while debentures for 40,400*l.* were renewed instead of being replaced by fresh capital. The reduction of 97,800*l.* in the Capital receipts from the Madras Railway Company represents the value of debentures renewed instead of being replaced.

The payments for discharge of debentures of the Great Indian Peninsula and Madras Railways, provided for in the Budget, were not required, owing to the renewal of the debentures, as already explained. The issues to the Companies for Expenditure depend necessarily on their actual requirements, which are not always foreseen with accuracy.

The "Deposits and Advances" in 1892-93 are now expected to result in a net payment of 300*l.* instead of a net receipt of 4,600*l.*, owing to smaller recoveries and larger advances on account of Expenditure in England on Defence works at Aden recoverable from the Imperial Government.

There has been a large increase in the family remittances from India in 1892-93, owing to the fall of the market rate of exchange considerably below the rate fixed for the year for the adjustment of such transactions, but this increase was partially counterbalanced by a falling-off in the remittances by Money Orders. The net remittances from India were also affected by larger repayments in England of advances on account of emigration of coolies and supplies to Her Majesty's ships of the East India Station, &c.

93. The following is the Budget Estimate of the Ways and Means of the Home Treasury for 1893-94:—

	Budget 1893-94.
<i>Net Receipts.</i>	
	£.
Council Bills - - - - -	18,700,000
Three per Cent. Stock to be issued - - - - -	1,300,000
Capital Receipts from Railway Companies - - - - -	1,420,000
Deposits and advances - - - - -	2,200
Add—Opening Balance - - - - -	2,602,829
TOTAL - - - £.	24,025,028
<i>Net Outgoings.</i>	
Excess of expenditure over revenue - - - - -	15,650,300
Capital expenditure of Government in England - - - - -	1,160,600
Permanent Debt:—	
Discharge of Oudh and Rohilkhund Railway Debentures	729,000
South Indian Railway Debentures - - - - -	520,200
Issues to Railway Companies on Capital Account - - - - -	2,609,200
On account of remittances from India - - - - -	1,383,200
Add—Closing Balance - - - - -	1,972,526
TOTAL - - - £.	24,025,028

It is now estimated that the drawings of the Secretary of State in 1893-94 will be 18,700,000*l.* The Budget Estimate of the current year provided for drawings amounting to 17,000,000*l.*

The very large increase next year is almost fully explained by the variations in the capital transactions of Railway Companies in the two years. In the last Financial Statement, credit was taken for a net receipt in 1892-93 from Railway Companies of 357,000*l.*, whereas, according to the present Statement, there will be a net payment to the Companies in 1893-94 of 1,189,200*l.*

It is the present intention of the Secretary of State to raise a loan of 1,300,000*l.* in 1893-94 to be applied to the discharge of 729,000*l.* Oude and Rohilkund Railway Debentures, and 520,200*l.* South Indian Railway Debentures falling due during the course of the year.

It should be understood that, in stating the present intentions of the Secretary of State, no sort of pledge is given that he will adhere to the programme.

INDIA.

Ways and Means in
India.

94. The following is the usual Statement of the Ways and Means Estimate of India :-

	1892-93.		1893-94.
	Budget.	Revised.	Budget.
NET RECEIPTS.			
	Rx.	Rx.	Rx.
1. Excess of revenue in India over the expenditure charged against it - - -	23,771,000	25,081,700	23,869,800
2. Public Loan - - - - -	—	—	3,000,000
3. Loan from Rampur State - - -	250,000	250,000	220,000
4. Increase of the Unfunded Debt—mostly Savings Banks Deposits - - -	869,000	1,056,100	882,200
5. Other Items - - - - -	421,500	1,406,400	695,500
6. For remittance to Secretary of State -	1,175,700	1,208,000	1,374,200
<i>Add—Opening Balance</i> - -	16,750,044	17,287,005	15,204,205
TOTAL - - -	43,237,244	46,289,205	45,245,905
NET OUTGOINGS.			
7. Expenditure charged to Provincial Balances	1,161,700	363,800	751,200
8. Capital Expenditure of Government in India - - - - -	1,956,500	2,264,800	1,661,600
9. Loans to Municipalities, &c. - - -	611,500	842,700	—288,200
10. Issues on Capital Account to Railway Companies - - - - -	408,500	—29,400	376,400
11. Council Bills— <i>Sterling Amount</i> - -	17,166,500	17,301,300	18,522,100
12. Ditto - - Exchange - - -	8,633,700	10,341,800	11,579,700
<i>Add—Closing Balance</i> - -	13,298,844	15,204,205	12,643,105
TOTAL - - -	43,237,244	46,289,205	45,245,905

The headings in *italics* are connected with, and explained by, the corresponding figures of the Secretary of State's account in England. The others refer to purely Indian transactions.

8. Ways and Means
in India in 1892-93.
Main features.

95. We expect to close the year 1892-93 with a cash balance of Rx. 15,204,205 against 13,298,844 taken in the Budget Estimates of the year, being an improvement of Rx. 1,905,361. The more important items of variation from the Budget Estimates are:—

On

On the one hand, an increase of Rx. 1,842,900 in the payments of Council Bills. For the bulk of this the fall in exchange is responsible, the sterling drawings having been increased by 200,000L. only.

And, on the other hand, an increase in the net revenue in India of Rx. 1,310,700, a reduction in the drawings of Provincial Governments on their accumulated balances of Rx. 797,900, a net receipt from Railway Companies of Capital Account of Rx. 29,400 instead of the net payment of Rx. 408,500 which was anticipated, an increase in the opening balance of Rx. 536,961, and other improvements in the net cash receipts which, though large in the aggregate, would require too much detail to be explained here.

96. In 1893-94 we have to provide for the payment of Council Bills Rx. 4,301,600 more than was required in the Budget Estimate of 1892-93, about one-half of this being caused by the increase in the sterling drawings and one-half by the fall in the rate of exchange.

Ways and Means in India in 1893-94. Main features.

To meet this very heavy demand on our cash balances, we have a repayment of a loan of Rx. 616,100 by the Bombay Port Trust, a reduction of Rx. 410,500 in the excess of Provincial and Local Expenditure over Revenue, and some other improvements in net cash receipts.

For the remainder of the increased demand on the balances provision has been made by the entry of a loan of Rx. 3,000,000.

97. As already explained in paragraphs 35 and 93, the increase in the amount of the Bills of the Secretary of State is not due to any increase in the sterling expenditure of the Government of India, but to the fact that, whereas the Secretary of State this year received from Railway Companies on Capital Account more than he paid, the reverse will be the case in 1893-94.

Council Bills, 1893-94.

98. No public loan has been raised in India since 1889-90. The present estimates provide for a loan of three crores in 1893-94. But the Government of India are unable to say whether this is the exact amount that will be raised, and full liberty is reserved, as usual, to modify the present estimates to any extent that may be considered expedient, to increase or reduce the amount of the loan if necessary, and not to issue a loan at all if it should be found that none is required.

Public Loan

99. The following are the usual details of the transactions of Savings Banks during the last few years:—

Savings Banks.

YEAR.	Net Additions to Deposits (Cash).	Interest.	Total Addition.
	Rx.	Rx.	Rx.
1887-88 - - - -	656,900	224,000	880,900
1888-89 - - - -	685,200	261,800	947,000
1889-90 - - - -	—362,900	272,200	—90,700
1890-91 - - - -	250,700	279,700	530,400
1891-92 - - - -	517,900	306,200	824,100
1892-93 Budget - -	459,400	333,800	793,200
1892-93 (Revised) - -	636,800	340,400	977,200
1893-94 Budget - -	438,600	372,400	811,000

The Post Office Savings Banks deposits continue to increase. The Budget Estimate for 1893-94 is taken at about the same amount as in that of 1892-93.

Loans to Municipalities, &c.

100. As stated in paragraphs 34 and 75, the Bombay Port Trust have taken advantage of the favourable state of the money market to raise a 4 per cent. public loan to repay Government the balance of a 4½ per cent. loan of Rx. 616,100. Excluding this special receipt in 1893-94, the net amount of advances in 1893-94 is taken at Rx. 327,900, against Rx. 611,500 entered in the Estimate of 1892-93. The gross amount placed at the disposal of Local Governments and Administrations for advances to Local Bodies, etc., in 1893-94 is Rx. 608,200, being Rx. 54,700 less than the amount entered in the Budget Estimate of the current year. Larger amounts, if available, could be advantageously allotted for advances and loans to cultivators and municipalities, but unfortunately the state of the Government balances does not permit of further amounts being granted at present. The large excess over the Budget of the amount entered in the Revised Estimate of 1892-93 on account of loans to municipalities, etc., is due chiefly to an additional loan having been sanctioned during the year for the Kidderpore Docks, and also to increased advances to agriculturists in Madras and Bombay.

Capital of Railway Companies.

101. The capital transactions of Railway Companies in 1892-93 are now expected to produce a net receipt in India of Rx. 29,400, instead of a net payment of Rx. 408,500 provided in the Budget Estimate. This is due generally to smaller withdrawals by the companies, and to some extent to the receipt from the Mysore Durbar of Rx. 44,300, being the value of the Nanjangod extension of the Mysore Railway.

Cash balances.

102. The current year is now expected to close with a cash balance of Rx. 15,204,205, and for 1893-94 a closing balance of Rx. 12,643,105 is taken. The estimated transactions of the year thus result in a reduction in the balances of Rx. 2,561,100.

SECTION VII.—SUMMARY.

103. The principal features in this Statement are :—

- (a) The Accounts of 1891-92 have closed with a surplus of Rx. 467,535.
- (b) The Revised Estimates of 1892-93 show a deficit of Rx. 1,081,900, against the surplus of Rx. 146,600 shown in the Budget Estimates of the year. The sterling Expenditure has considerably exceeded the Budget Estimates; the expenditure in India has on the whole been less than the Estimates, a considerable increase in Military Expenditure having been more than counterbalanced by a large saving in Opium Expenditure in consequence of the failure of the crop: the Revenue has shown satisfactory progress. If the rate of exchange taken in the Budget Estimate, 1s. 4d. the rupee, had been realised, there would have been a surplus somewhat higher than that shown in the Budget Estimates. But the fall in the rate of exchange to 1s. 3d. has caused an increase of Expenditure of Rx. 1,635,300, and converted the surplus into a heavy deficit.
- (c) The Budget Estimates of 1893-94 show a deficit of Rx. 1,595,100.
- (d) The main cause of the deficit of Rx. 1,595,100 is the fall in the rate of exchange. The currency question is now under the consideration of the Secretary of State. Till he has decided what action, if any, should be taken in regard to the currency, it is impossible to say whether the deficit in the coming year will be of the amount shown in the Budget Estimate, or whether it will be largely increased, or will disappear and become a surplus. The decision of the Secretary of State is expected to be not much longer delayed, and, in the circumstances just stated, the Government of India have postponed for the present the determination of the measures to be taken to place the finances in equilibrium.

(e.) The

- (e) The rate of exchange is taken at 1s. 2½d., and at that rate the direct addition to the expenditure caused by the fall from 1s. 4d. is estimated at Rx. 1,989,400.
- (f) The sterling Expenditure will be somewhat less than in the Budget Estimate of 1892-93. The Expenditure in India will, on the other hand, be considerably higher. The estimate of net revenue from Opium is taken at Rx. 5,061,200, being lower than the amount taken for any of the last 22 years. A substantial improvement in Railway Revenue and in the Revenues generally is anticipated.
- (g) The Capital Expenditure on Railways and Irrigation Works, not charged against Revenue, is estimated at Rx. 3,986,700 in 1893-93, and at Rx. 3,550,000 in 1893-94. These sums are in addition to Rx. 1,215,400 charged against Revenue and the Famine Grant in 1892-93, and Rx. 1,119,300 charged against the Famine Grant in 1893-94.
- (h) It is expected that the Secretary of State will in 1893-94 sell Council Bills to the amount of 18,700,000l., and raise a loan of 1,300,000l. for the discharge of Railway Debentures. These announcements are accompanied by the usual reservation of entire liberty to the Secretary of State to vary the amounts to be obtained by bills or raised by loan, as he may find occasion.
- (i) The Estimates provide for the issue of a loan in India of Rx. 3,000,000. Full liberty is, however, reserved to the Government of India to raise a smaller or a larger loan, or not to raise a loan at all if it should appear later that none is required.
- (j) The dominant factor influencing the financial position of India at the present time is the rate of Exchange. If that rate rises as high as 1s. 4d., the deficit shown in the Budget Estimates will disappear. If it falls still further, the deficit will be further increased; it is impossible for the Government of India to decide what measures should be taken for the restoration of financial equilibrium, until the Home authorities have given their decision on the currency question.

D. Barbour.

Calcutta, 23rd March 1893.

A P P E N D I X.

ACCOUNTS AND ESTIMATES.

ACCOUNTS	- - - - -	1891-92.
REVISED ESTIMATES	- - - - -	1892-93.
BUDGET ESTIMATES	- - - - -	1893-94.

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GENERAL STATEMENT of the ACCOUNTS and ESTIMATES of the
GOVERNMENT OF INDIA,

	For Details, vide Statement.	R E C E I P T S.			
		Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
REVENUE:					
Principal Heads of Revenue:		<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>
Land Revenue - - - - -	A.	23,965,774	24,675,500	24,857,600	25,157,200
Opium - - - - -	-	8,012,380	7,634,600	7,966,500	7,316,200
Salt - - - - -	-	8,636,182	8,544,700	8,648,600	8,587,800
Stamps - - - - -	-	4,262,156	4,229,600	4,458,200	4,434,100
Excise - - - - -	-	5,117,264	5,102,400	5,203,600	5,145,900
Other Heads - - - - -	-	9,523,293	9,681,600	9,802,500	9,849,300
TOTAL, PRINCIPAL HEADS - - -	-	59,517,049	59,868,400	60,937,000	60,490,500
Interest - - - - -	A.	879,443	911,000	868,600	893,600
Post Office, Telegraph, and Mint - - -	"	2,575,786	2,618,000	2,755,500	2,720,800
Receipts by Civil Departments - - -	"	1,656,157	1,615,800	1,660,200	1,635,500
Miscellaneous - - - - -	"	897,284	959,900	898,400	982,900
Railways - - - - -	"	19,938,046	18,832,700	19,064,200	19,551,700
Irrigation - - - - -	"	2,272,040	2,216,700	2,404,300	2,337,700
Buildings and Roads - - - - -	"	627,124	606,400	639,100	623,900
Receipts by Military Department - - -	"	780,404	739,000	793,300	769,100
TOTAL REVENUE - - -	-	89,143,283	88,367,900	90,021,200	90,005,700
DEBT, DEPOSITS, AND ADVANCES:					
Permanent Debt (net incurred) - - -	C.	3,038,293	127,700	—	3,265,800
Unfunded Debt (net incurred) - - -	"	899,359	869,000	1,056,100	882,200
Deposits and Advances (net) - - -	"	1,480,280	—	454,100	—
Loans and Advances by Imperial Government (net Receipts) - - - - -	"	—	—	—	564,400
Capital of Railway Companies (net Receipts) -	"	—	—	626,500	—
Remittances (net) - - - - -	"	116,140	—	649,500	—
Secretary of State's Bills drawn - - -	"	16,093,854	17,000,000	17,300,000	18,700,000
TOTAL RECEIPTS - - -	-	110,771,209	106,364,600	110,007,400	113,418,100
Balance on 1st April—India - - - - -	-	17,876,244	16,750,044	17,287,005	15,204,205
England - - - - -	-	3,835,050	3,261,050	4,122,626	2,602,826
GRAND TOTAL - - -	-	132,482,503	126,375,694	131,417,031	131,225,131

REVENUE and EXPENDITURE, and RECEIPTS and DISBURSEMENTS, of the
in INDIA and in ENGLAND.

	For Details vide Statement.	DISBURSEMENTS.			
		Accounts, 1891-92.	Budget Estimate, 1892-93.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
EXPENDITURE:		<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>
Direct Demands on the Revenues - - -	B.	9,547,162	10,286,600	9,463,600	10,387,300
Interest - - - - -	"	4,315,176	3,977,100	4,343,200	4,065,900
Post Office, Telegraph, and Mint - - -	"	2,429,188	2,547,900	2,528,400	2,609,300
Salaries and Expenses of Civil Departments -	"	13,853,842	14,132,500	14,344,100	14,472,000
Miscellaneous Civil Charges - - - - -	"	5,046,622	5,170,900	5,559,100	5,588,100
Famine Relief and Insurance - - - - -	"	1,268,319	1,206,700	1,133,700	1,159,800
Construction of Railways (charged against Revenue, in addition to that under Famine Insurance) - - - - -	"	163,233	301,500	292,900	75,100
Railway Revenue Account - - - - -	"	20,253,910	20,407,200	20,775,000	21,545,800
Irrigation - - - - -	"	2,945,019	2,919,500	2,982,300	2,860,100
Buildings and Roads - - - - -	"	6,208,752	5,920,100	5,927,400	6,090,600
Army Services - - - - -	"	22,280,601	21,898,500	23,557,900	23,011,400
Special Defence Works - - - - -	"	604,848	614,500	559,300	536,600
TOTAL EXPENDITURE, IMPERIAL and PROVINCIAL - - - - -	-	88,916,672	89,383,000	91,466,900	92,352,000
<i>Add</i> —Provincial Surpluses, that is, portion of Allotments to Provincial Governments not spent by them in the year - - -	End of B.	178,637	—	100,500	—
<i>Deduct</i> —Provincial Deficits, that is, portion of Provincial Expenditure defrayed from Provincial Balances - - - - -	"	—419,561	—1,161,700	—464,300	—751,200
TOTAL EXPENDITURE charged against REVENUE - - - - -	-	88,675,748	88,221,300	91,103,100	91,600,800
EXPENDITURE NOT CHARGED TO REVENUE:					
Capital Outlay on Railways and Irrigation Works	End of B.	3,500,000	4,035,000	3,986,700	3,550,000
DEBT, DEPOSITS, AND ADVANCES:					
Permanent Debt (net Discharged) - - -	C.	—	—	376,200	—
Deposits and Advances (net) - - - - -	"	—	799,700	—	1,085,800
Loans and Advances by Imperial Government (net Advances) - - - - -	"	488,787	178,800	340,500	—
Loans and Advances by Provincial Governments	"	465,405	432,700	502,200	276,200
Capital of Railway Companies (net Payments) -	"	1,146,392	50,600	—	1,565,600
Remittances (net) - - - - -	"	—	16,100	—	9,000
Secretary of State's Bills paid - - - - -	"	16,796,540	17,166,500	17,301,300	18,522,100
TOTAL DISBURSEMENTS - - - - -	-	111,072,872	110,900,700	113,610,000	116,609,500
Balance on 31st March—India - - - - -	-	17,287,005	13,298,844	15,204,205	12,643,105
England - - - - -	-	4,122,626	2,176,150	2,602,826	1,972,526
GRAND TOTAL - - - - -	-	132,482,503	126,375,694	131,417,031	131,225,131
Revenue - - - - -		<i>Rx.</i> 89,143,283	<i>Rx.</i> 88,367,900	<i>Rx.</i> 90,021,200	<i>Rx.</i> 90,005,700
Expenditure chargeable thereon - - - - -		88,675,748	88,221,300	91,103,100	91,600,800
Surplus (+) or Deficit (—) - - - - -		+ 467,535	+ 146,600	—1,081,900	—1,595,100

Stephen Jacob,
Comptroller General.

J. F. Finlay,
Secretary to the Government of India.

A.—STATEMENT of the REVENUE of INDIA, in INDIA and in ENGLAND.

HEADS OF REVENUE.	ACCOUNTS, 1891-92.					REVISED	
	India.		England.	Exchange.* 1 s. 4'733 d.	TOTAL.	India.	
	Imperial.	Provincial and Local.				Imperial.	Provincial and Local.
PRINCIPAL HEADS OF REVENUE:	<i>Rx.</i>	<i>Rx.</i>	<i>£.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	
I.—Land Revenue	14,484,809	9,481,165	-	-	23,965,774	15,869,900	8,987,700
II.—Opium	8,012,380	-	-	-	8,012,380	7,966,500	-
III.—Salt	8,607,619	28,563	-	-	8,636,182	8,617,400	31,200
IV.—Stamps	1,248,783	3,013,373	-	-	4,262,156	1,176,500	3,281,700
V.—Excise	3,826,759	1,290,505	-	-	5,117,264	3,941,800	1,261,800
VI.—Provincial Rates	657	3,502,180	-	-	3,502,837	600	3,645,100
VII.—Customs	1,686,126	15,162	-	-	1,701,288	1,600,000	16,800
VIII.—Assessed Taxes	946,701	706,122	-	-	1,652,823	966,400	716,700
IX.—Forest	752,164	738,418	-	-	1,490,582	947,600	680,000
X.—Registration	201,209	198,593	-	-	399,802	216,700	214,000
XI.—Tributes from Native States	775,961	-	-	-	775,961	798,600	-
Total	40,542,968	18,074,081	-	-	59,517,049	42,102,000	18,835,000
XII.—INTEREST	685,173	110,415	58,466	25,389	879,443	708,300	121,900
POST OFFICE, TELEGRAPH, AND MINT:							
XIII.—Post Office	1,438,589	7,768	-	-	1,446,355	1,483,900	7,500
XIV.—Telegraph	900,927	415	12,545	5,448	919,335	922,500	-
XV.—Mint	210,046	-	-	-	210,046	326,400	-
Total	2,549,562	8,181	12,545	5,448	2,575,736	2,732,800	7,500
RECEIPTS BY CIVIL DEPARTMENTS:							
XVI.—Law and Justice { Courts	24,153	351,690	-	-	375,843	27,300	349,600
{ Jails	39,728	271,569	-	-	311,297	41,300	261,300
XVII.—Police	19,924	361,616	-	-	381,540	18,600	367,900
XVIII.—Marine	90,526	131,888	-	-	222,414	103,100	127,300
XIX.—Education	1,086	210,638	-	-	211,724	1,300	207,400
XX.—Medical	347	59,447	2,309	1,003	63,106	400	62,900
XXI.—Scientific and other Minor Departments.	10,055	79,452	506	220	90,233	10,000	77,400
Total	185,819	1,466,300	2,815	1,223	1,656,157	202,000	1,453,800
MISCELLANEOUS:							
XXII.—Receipts in aid of Superannuation, &c.	165,495	51,728	100,605	43,689	361,517	153,100	45,900
XXIII.—Stationery and Printing	26,052	57,356	-	-	83,408	30,900	49,600
XXIV.—Exchange	31,529	-	-	-	31,529	57,800	-
XXV.—Miscellaneous	107,839	204,993	12,549	5,449	420,830	94,200	293,200
Total	330,915	404,077	113,154	49,138	897,284	336,000	388,700
RAILWAYS:							
XXVI.—State Railways (Gross Receipts)	14,323,729	2,087,875	230	100	16,411,934	14,747,700	1,031,400
XXVII.—Guaranteed Companies (Net Traffic Receipts).	3,493,118	-	-	-	3,493,118	3,260,000	-
XXVIII.—Subsidised Companies (Repayment of Advances of Interest).	31,567	-	995	432	32,994	23,500	-
Total	17,848,414	2,087,875	1,225	532	19,938,046	18,031,200	1,031,400
IRRIGATION:							
XXIX.—Major Works: Direct Receipts	662,793	741,944	-	-	1,404,737	753,900	733,300
Portion of Land Revenue due to Irrigation.	673,139	-	-	-	673,139	725,600	-
XXX.—Minor Works and Navigation	40,337	147,777	-	-	194,114	44,100	147,400
Total	1,382,319	889,721	-	-	2,272,040	1,523,600	880,700
BUILDINGS AND ROADS:							
XXXI.—Military Works	49,794	-	-	-	49,794	42,500	-
XXXII.—Civil Works	11,800	526,523	27,197	11,810	577,930	12,100	540,700
Total	61,594	526,523	27,197	11,810	627,124	54,600	540,700
RECEIPTS BY MILITARY DEPARTMENT:							
XXXIII.—Army: Effective	653,700	-	35,211	15,291	704,202	673,100	-
Non-effective	65,723	-	7,306	3,173	76,202	59,700	-
Total	719,423	-	42,517	18,464	780,404	732,800	-
TOTAL REVENUES	64,306,187	24,467,173	257,919	112,004	89,143,283	66,423,300	23,250,700

* The columns headed "Exchange" show, under the several heads of Revenue and Expenditure which include transactions in England, Exchange thereon calculated in accordance with the average rate obtained, or estimated to be obtained, for Bills and Telegraphic Transfers sold during the year.

A.—STATEMENT of the REVENUE of INDIA, in INDIA and in ENGLAND.

ESTIMATE, 1892-93.			Increase + Decrease — of Revised, as compared with Budget Estimate, 1892-93.	BUDGET ESTIMATE, 1893-94.					Increase + Decrease — of Budget, 1893-94, as compared with Budget Estimate, 1892-93.	Increase + Decrease — of Budget, 1893-94, as compared with Revised Estimate, 1892-93.
England.	Exchange.* l s. d.	TOTAL Rs.		India.		England.	Exchange.* l s. d.	TOTAL Rs.		
				Imperial.	Provincial and Local.					
£.	Rs.	Rs.	Rs.	Rs.	£.	Rs.	Rs.	Rs.		
-	-	24,857,600	+ 182,100	16,065,600	9,091,600	-	-	25,157,200	+ 481,700	+ 299,600
-	-	7,966,500	+ 331,900	7,316,200	-	-	7,316,200	- 318,400	- 650,300	
-	-	8,648,600	+ 103,900	8,556,600	31,200	-	-	8,587,800	+ 43,100	- 60,800
-	-	4,458,200	+ 228,600	1,173,000	3,261,100	-	-	4,434,100	+ 204,500	- 24,100
-	-	5,203,600	+ 101,200	3,898,500	1,247,400	-	-	5,145,900	+ 49,500	- 57,700
-	-	3,645,700	+ 22,600	4,800	3,702,300	-	-	3,707,100	+ 84,000	+ 61,400
-	-	1,616,800	- 75,000	1,648,700	16,500	-	-	1,665,200	- 26,600	+ 48,400
-	-	1,683,100	+ 37,900	966,200	721,000	-	-	1,687,200	+ 42,000	+ 4,100
-	-	1,627,600	+ 60,400	913,600	675,200	-	-	1,588,800	+ 21,600	- 38,800
-	-	490,700	+ 38,500	216,200	213,100	-	-	429,300	+ 37,100	- 1,400
-	-	793,600	+ 36,500	771,700	-	-	-	771,700	+ 9,600	- 26,900
-	-	60,937,000	+ 1,068,600	41,531,100	18,959,400	-	-	60,490,500	+ 622,100	- 446,500
24,000	14,400	868,600	- 42,400	721,600	139,500	20,000	12,500	893,600	- 17,400	+ 25,000
-	-	1,491,400	- 7,000	1,531,400	7,400	-	-	1,538,800	+ 40,400	+ 47,400
9,500	5,700	937,700	+ 45,100	942,500	-	5,500	3,500	951,500	+ 58,900	+ 13,800
-	-	326,400	+ 99,400	230,500	-	-	-	230,500	+ 3,500	- 95,900
9,500	5,700	2,755,500	+ 137,500	2,704,400	7,400	5,500	3,500	2,720,800	+ 102,800	- 34,700
-	-	376,900	+ 12,400	23,800	353,400	-	-	377,200	+ 12,700	+ 300
-	-	302,600	- 8,000	45,900	267,000	-	-	312,300	+ 1,700	+ 9,700
-	-	386,500	+ 20,000	15,200	355,600	-	-	370,800	+ 4,300	- 15,700
-	-	230,400	+ 10,900	86,000	126,600	-	-	212,600	- 6,900	- 17,800
-	-	208,700	+ 4,800	1,500	210,200	-	-	211,700	+ 1,800	+ 3,000
2,600	1,600	67,500	+ 3,300	500	62,500	2,000	1,300	66,300	+ 2,100	+ 1,200
500	300	88,200	+ 11,200	7,700	76,400	300	200	84,600	+ 7,600	- 3,600
3,100	1,900	1,660,800	+ 45,000	180,000	1,451,700	2,300	1,500	1,635,500	+ 19,700	- 25,300
101,000	60,600	360,600	+ 6,700	144,000	43,500	97,900	61,400	346,800	- 7,100	- 13,800
-	-	80,500	+ 6,500	32,400	50,400	-	-	82,800	+ 8,800	+ 2,300
-	-	57,800	- 120,700	180,000	-	-	-	180,000	+ 1,500	+ 122,200
7,600	4,500	399,500	+ 46,000	86,100	283,100	2,500	1,600	373,300	+ 19,800	- 26,200
103,600	65,100	898,400	- 61,500	442,500	377,000	100,400	63,000	982,900	+ 23,000	+ 84,500
200	100	15,779,400	+ 235,500	15,238,200	1,053,000	200	100	16,291,500	+ 747,600	+ 512,100
-	-	3,260,000	-	3,235,000	-	-	-	3,235,000	- 25,000	- 25,000
800	500	24,800	- 4,000	23,600	-	1,000	600	25,200	- 3,600	+ 400
1,000	600	19,064,200	+ 231,500	18,496,800	1,059,000	1,200	700	19,551,700	+ 719,000	+ 487,500
-	-	1,487,200	+ 164,000	628,700	695,000	-	-	1,323,700	+ 500	- 163,500
-	-	725,600	+ 21,200	815,600	-	-	-	815,600	+ 111,200	+ 90,000
-	-	191,500	+ 2,400	46,300	152,100	-	-	198,400	+ 9,900	+ 6,900
-	-	2,404,300	+ 187,600	1,490,600	847,100	-	-	2,337,700	+ 121,000	- 66,600
-	-	42,500	+ 400	42,700	-	-	-	42,700	+ 600	+ 200
27,400	16,400	596,600	+ 32,900	12,400	521,800	28,900	18,100	581,200	+ 16,900	+ 15,400
27,400	16,400	639,100	+ 32,700	55,100	521,800	28,900	18,100	623,900	+ 17,500	- 15,200
29,000	17,400	719,500	+ 46,800	651,000	-	26,900	16,400	693,600	+ 20,900	- 25,900
8,800	5,300	73,800	+ 7,500	60,900	-	9,000	5,600	75,500	+ 9,200	+ 1,700
37,800	22,700	793,300	+ 54,300	711,900	-	35,200	22,000	769,100	+ 30,100	- 24,200
311,400	126,800	90,021,200	+ 1,653,300	66,334,000	23,356,900	193,500	121,300	90,005,700	+ 1,637,800	- 15,500

FINANCIAL STATEMENT OF THE

B.—STATEMENT of the EXPENDITURE chargeable on the

HEADS OF EXPENDITURE.	ACCOUNTS, 1891-92.					REVISED	
	India.		England.	Exchange.* 1 s. 4-738 d.	TOTAL.	India.	
	Imperial.	Provincial and Local.				Imperial.	Provincial and Local.
DIRECT DEMANDS ON THE REVENUES :	<i>Rs.</i>	<i>Rs.</i>	<i>£.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>
1.—Refunds and Drawbacks - - -	179,543	74,810	- -	- -	254,353	183,300	74,600
2.—Assignments and Compensations - -	571,725	960,155	- -	- -	1,531,880	540,000	977,500
Charges in respect of Collection, viz. :							
3.—Land Revenue - - - - -	356,551	3,477,542	720	813	3,835,126	370,400	3,564,700
4.—Opium (including Cost of Production)	1,860,773	- -	726	815	1,861,313	1,593,000	- -
5.—Salt (including Cost of Production)	443,444	14,514	750	826	458,034	398,800	65,400
6.—Stamps - - - - -	699	83,863	34,105	14,811	138,447	25,800	116,000
7.—Excise - - - - -	142,120	47,901	53	23	190,097	147,400	46,700
8.—Provincial Rates - - - - -	- -	58,708	- -	- -	58,708	- -	58,800
9.—Customs - - - - -	52,262	84,052	34	15	136,363	52,600	87,200
10.—Assessed Taxes - - - - -	15,327	14,250	- -	- -	29,577	15,200	16,200
11.—Forest - - - - -	894,809	448,053	742	322	843,928	494,800	398,000
12.—Registration - - - - -	104,386	103,477	- -	- -	207,863	106,600	105,600
Total - - - - -	4,121,608	5,372,999	37,130	16,125	9,547,162	3,877,300	5,529,100
INTEREST :							
13.—Interest on Debt † other than that charged to Railways and Irrigation Works.	— 22,177	76,545	2,639,288	1,146,144	3,839,800	— 162,300	95,900
14.—Interest on other Obligations - - -	472,820	2,474	57	25	475,376	512,700	3,200
Total - - - - -	450,643	79,019	2,639,345	1,146,169	4,315,176	350,400	99,100
POST OFFICE, TELEGRAPH, AND MINT :							
15.—Post Office - - - - -	1,242,030	113,179	96,321	41,829	1,493,359	1,281,300	114,500
16.—Telegraph - - - - -	611,522	385	158,118	68,666	838,720	635,500	- -
17.—Mint - - - - -	80,809	- -	11,365	4,935	97,109	95,800	- -
Total - - - - -	1,934,391	113,564	265,804	115,429	2,429,188	2,012,600	114,500
SALARIES AND EXPENSES OF CIVIL DEPARTMENTS :							
18.—General Administration - - - - -	607,194	826,229	249,532	108,362	1,791,317	615,700	856,300
19.—Law and Justice { Courts - - - - -	109,603	2,729,488	689	277	2,840,077	115,400	2,758,000
{ Jails - - - - -	153,514	746,218	- -	- -	899,732	157,200	769,200
20.—Police - - - - -	775,529	3,068,081	- -	- -	3,868,610	704,300	3,161,700
21.—Marine (including River Navigation)	278,821	167,732	133,447	57,951	637,951	332,600	147,400
22.—Education - - - - -	22,540	1,399,770	1,727	750	1,424,796	23,100	1,420,100
23.—Ecclesiastical - - - - -	161,014	- -	408	178	161,596	167,800	- -
24.—Medical - - - - -	35,808	639,599	6,468	2,809	684,684	38,600	881,300
25.—Political - - - - -	674,130	55,568	25,806	11,207	767,711	713,600	75,900
26.—Scientific and other Minor Departments	388,606	155,958	29,893	12,981	687,438	243,800	158,600
Total - - - - -	3,206,768	10,004,643	447,016	194,513	13,853,642	3,112,100	10,207,800
MISCELLANEOUS CIVIL CHARGES :							
27.—Territorial and Political Pensions - -	480,169	- -	54,323	23,547	557,959	494,600	- -
28.—Civil Bursough and Absence Allowances	657	- -	192,228	63,477	276,362	1,200	- -
29.—Superannuation Allowances and Pensions	85,636	762,870	1,726,046	749,557	3,324,109	78,400	794,900
30.—Stationery and Printing - - - - -	95,890	448,050	41,006	17,847	602,866	85,900	467,000
32.—Miscellaneous - - - - -	58,497	172,303	37,655	16,352	285,307	50,900	154,700
Total - - - - -	720,869	1,383,723	2,051,250	890,780	5,046,622	711,000	1,406,600
FAMINE RELIEF AND INSURANCE :							
33.—Famine Relief - - - - -	6,187	17,236	- -	- -	23,423	16,100	60,700
34.—Construction of Protective Railways - -	484,795	- -	- -	- -	484,795	993,900	- -
35.—Construction of Protective Irrigation Works	75,453	- -	1,728	750	77,931	57,300	- -
36.—Reduction of Debt - - - - -	682,170	- -	- -	- -	682,170	- -	- -
Total† - - - - -	1,248,605	17,236	1,728	750	1,268,319	1,067,200	60,700
Carried over - - - - -	11,662,884	16,979,484	5,443,175	2,369,766	36,460,309	11,130,600	17,417,800

* See foot-note to Statement A.

	ACCOUNTS, 1891-92.			
	India.	England.	Exchange.	TOTAL.
The "Interest on Debt" is distributed as follows :—	<i>Rs.</i>	<i>£.</i>	<i>Rs.</i>	<i>Rs.</i>
Interest on Debt (other than that charged to Railways and Irrigation Works) as above	54,308	2,639,288	1,146,144	3,880,800
Under Railway Revenue Account	3,004,578	1,162,871	508,425	4,675,874
Under Irrigation	1,169,678	- -	- -	1,169,678
TOTAL - - - - -	4,728,564	3,802,159	1,654,569	9,625,292

† The following further sums, which are included under XXVI and 38 State Railways, are chargeable to the grant for Famine Relief and Insurance, as representing the net charge on the Revenues on account of Protective railways constructed through the agency of Companies :—

	Accounts, 1891-92.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
Indian Midland Railway - - - - -	<i>Rs.</i> 189,087	<i>Rs.</i> 232,900	<i>Rs.</i> 225,500
Bengal-Nagpur Railway - - - - -	49,824	125,400	116,700
TOTAL - - - - -	238,911	358,300	342,200

REVENUES of INDIA, in INDIA and in ENGLAND.

ESTIMATE, 1892-93.			Increase + Decrease— of Revised as compared with Budget Estimate, 1892-93.	BUDGET ESTIMATE, 1893-94.					Increase + Decrease— of Budget, 1893-94, as compared with Budget Estimate, 1892-93.	Increase + Decrease— of Budget, 1893-94, as compared with Revised Estimate, 1892-93.
England.	Exchange.* l s. 3 d.	TOTAL. Rr.		India.		England.	Exchange.* l s. 2½ d.	TOTAL. Rr.		
				Imperial.	Provincial and Local.					
£.	Rr.	Rr.	Rr.	Rr.	Rr.	£.	Rr.	Rr.	Rr.	
-	-	257,900	+ 15,200	158,500	66,400	-	-	224,900	- 17,800	
-	-	1,517,500	+ 1,800	505,500	972,400	-	-	1,477,900	- 37,800	
600	400	3,956,100	- 74,900	391,500	3,719,800	600	400	4,112,300	+ 81,300	
700	400	1,595,000	- 630,800	2,253,900	-	700	400	2,255,000	+ 20,200	
700	400	465,300	- 32,200	443,000	66,800	600	400	510,800	+ 13,300	
32,000	19,200	141,400	+ 500	- 28,400	119,000	39,400	24,700	154,700	+ 13,800	
-	-	194,100	- 12,000	157,900	50,900	-	-	208,800	+ 2,700	
-	-	58,300	- 1,200	-	53,500	-	-	53,500	- 6,000	
100	-	139,900	- 2,400	53,000	91,500	200	100	144,800	+ 2,500	
-	-	30,400	- 1,400	16,400	16,000	-	-	32,400	+ 600	
1,700	1,000	895,600	- 74,900	551,300	437,400	900	600	990,200	+ 19,700	
-	-	212,100	- 1,700	111,600	110,400	-	-	222,000	+ 8,200	
35,800	21,400	9,463,600	- 823,000	4,614,200	5,704,100	42,400	26,600	10,387,300	+ 100,700	
2,433,400	1,460,000	3,827,000	+ 356,500	- 491,500	111,500	2,394,200	1,501,500	3,515,700	+ 45,200	
200	100	516,200	+ 9,600	546,900	3,000	200	100	550,200	+ 43,600	
2,433,600	1,460,100	4,343,200	+ 366,100	55,400	114,500	2,394,400	1,501,600	4,065,900	+ 88,800	
94,900	56,900	1,547,600	- 7,800	1,307,400	120,000	98,900	62,000	1,588,300	+ 32,900	
144,800	86,900	867,200	- 10,000	681,000	-	144,900	90,900	916,800	+ 39,600	
11,100	6,700	113,600	- 1,700	93,000	-	6,900	4,300	104,200	- 11,100	
250,800	150,500	2,528,400	- 19,500	2,081,400	120,000	250,700	157,200	2,609,300	+ 61,400	
256,200	153,700	1,881,900	+ 50,300	622,800	855,800	248,300	155,700	1,882,600	+ 51,000	
600	400	2,874,400	+ 13,800	118,100	2,782,400	1,300	800	2,902,600	+ 42,000	
-	-	916,400	+ 7,500	161,100	772,500	-	-	933,600	+ 24,700	
-	-	3,856,000	- 54,000	715,600	3,243,900	600	400	3,960,500	+ 50,500	
301,100	180,700	961,800	+ 181,600	309,400	178,500	217,400	136,300	841,600	+ 61,400	
1,700	1,000	1,445,900	- 50,800	25,400	1,487,600	1,500	900	1,515,400	+ 18,700	
900	200	168,300	- 1,000	171,000	-	300	200	171,500	+ 2,200	
9,600	5,800	935,300	+ 4,200	40,100	897,700	7,000	4,400	949,200	+ 18,100	
22,400	13,400	824,700	+ 53,100	734,300	65,800	21,900	13,700	835,700	+ 64,100	
48,200	28,900	479,400	+ 6,900	236,700	171,000	44,000	27,600	479,300	+ 6,800	
640,100	384,100	14,344,100	+ 211,600	3,134,500	10,455,200	542,300	340,000	14,472,000	+ 339,500	
29,700	17,800	542,100	+ 5,900	490,800	-	23,700	14,900	529,400	- 6,800	
208,900	125,300	335,400	+ 20,900	900	-	209,000	131,100	341,000	+ 26,500	
1,830,100	1,098,100	3,801,500	+ 303,900	77,600	811,000	1,782,700	1,118,000	3,789,300	+ 291,700	
52,600	31,600	627,100	+ 50,300	84,300	462,500	54,300	34,000	635,100	+ 58,900	
29,600	17,800	253,000	+ 7,200	34,800	166,700	25,700	16,100	243,300	- 2,500	
2,150,900	1,290,600	5,559,100	+ 388,200	688,400	1,440,200	2,095,400	1,314,100	5,538,100	+ 367,200	
-	-	76,800	- 53,200	-	40,500	-	-	40,500	- 89,500	
-	-	993,900	- 17,800	1,054,300	-	-	-	1,054,300	+ 42,600	
3,600	2,200	63,000	- 2,000	65,000	-	-	-	65,000	+ 2,000	
3,600	2,200	1,133,700	- 73,000	1,119,300	40,500	-	-	1,159,800	- 46,900	
5,514,800	3,308,900	37,372,100	+ 50,400	11,693,200	17,874,500	5,325,200	3,339,500	33,232,400	+ 910,700	
REVISED ESTIMATE, 1892-93.				BUDGET ESTIMATE, 1893-94.						
India.	England.	Exchange.	TOTAL.	India.	England.	Exchange.	TOTAL.			
Rr.	£.	Rr.	Rr.	Rr.	£.	Rr.	Rr.			
- 66,400	2,433,400	1,460,000	3,827,000	- 330,000	2,394,200	1,501,500	3,515,700			
3,167,600	1,322,200	733,300	5,123,100	3,340,700	1,215,000	761,900	5,317,600			
1,138,900	-	-	1,138,900	1,168,300	-	-	1,168,300			
4,240,100	3,655,600	2,193,300	10,089,000	4,129,000	3,609,200	2,263,400	10,001,600			

B.—STATEMENT of the EXPENDITURE chargeable on the

HEADS OF EXPENDITURE.	ACCOUNTS, 1891-92.					REVISED	
	India.		England.	Exchange.* 1s. 4-733 d.	TOTAL.	India.	
	Imperial.	Provincial and Local.				Imperial.	Provincial and Local.
	Rx.	Rx.	£.	Rx.	Rx.	Rx.	Rx.
Brought forward - - -	11,682,884	16,970,484	5,443,175	2,363,766	36,460,309	11,130,600	17,417,800
37.—CONSTRUCTION of RAILWAYS (charged against Revenue in addition to that under Famioe Insurance).	-	163,233	-	-	163,233	158,500	134,400
RAILWAY REVENUE ACCOUNT:							
38.—State Railways: Working Expenses - - -	6,896,441	1,318,039	-	-	8,214,480	7,448,900	353,500
Interest on Debt - - - - -	2,480,038	505,123	1,005,952	436,847	4,427,960	2,937,700	210,500
Annuities in purchase of Railways - - -	-	-	1,693,388	735,375	2,428,763	-	-
Interest chargeable against Companies on Advances.	-	-	157,919	68,578	226,497	-	-
Interest on Capital deposited by Companies	26,854	-	681,758	296,062	1,004,674	30,500	-
39.—Guaranteed Companies: Surplus Profits, Land, and Supervision.	756,916	-	-	-	756,916	612,000	-
Interest - - - - -	37,171	-	2,114,159	913,100	3,069,430	2,800	-
40.—Subsidised Companies. Land, &c. - - -	18,924	14,206	-	-	33,130	15,000	16,900
41.—Miscellaneous Railway Expenditure - - -	80,923	11,837	-	-	92,060	—10,100	-
Total - - -	10,296,567	1,849,205	5,653,176	2,454,962	20,253,910	11,036,800	520,900
IRRIGATION:							
42.—Major Works: Working Expenses - - -	384,038	377,407	-	-	761,445	403,800	386,800
Interest on Debt - - - - -	589,580	520,098	-	-	1,109,678	696,300	532,600
43.—Minor Works and Navigation - - - - -	358,977	714,794	87	38	1,073,896	413,300	638,400
Total - - -	1,332,595	1,612,299	87	38	2,945,019	1,423,400	1,557,800
BUILDINGS AND ROADS:							
44.—Military Works - - - - -	1,199,627	-	10,332	4,509	1,214,518	1,124,900	-
45.—Civil Works - - - - -	739,218	4,112,876	99,103	43,037	4,994,234	665,900	3,932,600
Total - - -	1,938,845	4,112,876	109,485	47,546	6,208,752	1,790,800	3,932,600
ARMY SERVICES:							
46.—Army: Effective - - - - -	14,800,287	-	2,410,443	1,046,765	18,257,495	14,573,000	-
Non-effective - - - - -	940,775	-	2,149,070	933,261	4,023,106	949,200	-
Total - - -	15,741,062	-	4,559,513	1,980,026	22,280,601	15,522,200	-
SPECIAL DEFENCE WORKS:							
47.—Special Defence Works - - - - -	304,710	-	209,263	90,875	604,848	279,300	-
TOTAL EXPENDITURE, IMPERIAL and PROVINCIAL - - - - -	41,296,663	24,708,097	15,974,699	6,937,213	88,916,672	41,341,600	23,623,500
<i>Add.</i> —Portion of Allotments to Provincial Governments not spent by them in the Year - - - - -	-	+178,637	-	-	+178,637	-	+100,500
<i>Deduct.</i> —Portion of Provincial Expenditure defrayed from Provincial Balances	-	-419,561	-	-	-419,561	-	-464,300
TOTAL EXPENDITURE CHARGED AGAINST REVENUE - - - - -	-	24,467,173	-	-	88,675,748	-	23,259,700

	ACCOUNTS, 1891-92.			
	India.	England.	Exchange.	TOTAL.
EXPENDITURE NOT CHARGED TO REVENUE:				
Capital Outlay, Railways and Irrigation Works:	Rx.	£.	Rx.	Rx.
48.—State Railways - - - - -	1,530,690	864,309	375,337	2,770,336
49.—Irrigation Works - - - - -	716,830	8,948	3,886	729,664
TOTAL - - - - -	2,247,520	873,257	379,223	3,500,000

* See foot-note to Statement A.

REVENUES of INDIA, in INDIA and in ENGLAND—continued.

ESTIMATE, 1892-93.			Increase + Decrease — of Revised, as compared with Budget Estimate, 1892-93.	BUDGET ESTIMATE, 1893-94.					Increase + Decrease — of Budget, 1893-94, as compared with Budget Estimate, 1892-93.	Increase + Decrease — of Budget, 1893-94, as compared with Revised Estimate, 1892-93.
England.	Exchange.* 1 s. 3 d.	TOTAL.		India.		England.	Exchange.* 1 s. 2½ d.	TOTAL.		
				Imperial.	Provincial and Local.					
£.	Rs.	Rs.	Rs.	Rs.	Rs.	£.	Rs.	Rs.	Rs.	Rs.
5,514,800	3,308,900	97,372,100	+ 50,400	11,693,200	17,874,500	5,325,200	3,339,500	38,232,400	+ 910,700	+ 860,300
-	-	292,900	- 8,600	-	75,100	-	-	75,100	- 226,400	- 217,800
-	-	7,802,400	- 76,400	7,719,300	368,200	-	-	8,087,500	+ 208,700	+ 285,100
1,017,000	610,200	4,775,400	+ 108,400	3,108,600	212,700	998,100	625,900	4,945,300	+ 278,300	+ 169,900
1,696,600	1,018,000	2,714,600	+ 169,700	-	-	1,699,700	1,065,900	2,765,600	+ 220,700	+ 51,000
205,200	123,100	328,300	- 1,400	-	-	216,900	136,000	352,900	+ 23,200	+ 24,600
659,200	395,500	1,085,200	+ 59,600	32,000	-	678,800	425,700	1,136,500	+ 110,900	+ 51,300
-	-	612,000	+ 12,000	613,200	-	-	-	613,200	+ 19,200	+ 1,200
2,145,300	1,287,200	3,435,300	+ 179,000	2,600	-	2,154,900	1,351,400	3,508,900	+ 252,600	+ 73,600
-	-	31,900	- 13,000	14,200	14,200	-	-	28,400	- 16,500	- 3,500
-	-	10,100	- 70,100	107,500	-	-	-	107,500	+ 47,500	+ 117,600
5,723,300	3,434,000	20,775,000	+ 367,800	11,597,400	595,100	5,748,400	3,604,900	21,545,800	+1,138,600	+ 770,800
-	-	790,600	+ 19,600	398,400	377,700	-	-	776,100	+ 5,100	- 14,500
-	-	1,138,900	-	631,300	537,000	-	-	1,168,300	+ 29,400	+ 29,400
700	400	1,052,800	+ 49,200	319,600	595,400	400	300	915,700	- 93,900	- 137,100
700	400	2,982,300	+ 62,800	1,349,300	1,510,100	400	300	2,860,100	- 59,400	- 122,200
40,800	24,500	1,190,200	+ 6,400	1,184,700	-	9,200	5,800	1,199,700	+ 15,900	+ 9,500
86,700	52,000	4,737,200	+ 900	693,800	4,053,300	88,400	55,400	4,890,900	+ 154,600	+ 153,700
127,500	76,500	5,927,400	+ 7,300	1,878,500	4,053,300	97,600	61,200	6,090,600	+ 170,500	+ 163,200
2,635,300	1,581,200	18,789,500	+1,111,300	14,750,200	-	2,244,100	1,407,300	18,401,600	+ 723,400	- 387,900
2,387,000	1,432,200	4,768,400	+ 548,100	943,300	-	2,263,400	1,413,100	4,609,800	+ 389,500	- 158,600
5,022,300	3,013,400	23,557,900	+1,659,400	15,693,500	-	4,497,500	2,820,400	23,011,400	+1,112,900	- 546,500
175,000	105,000	559,300	- 55,200	252,300	-	174,700	109,600	536,600	- 77,900	- 22,700
16,563,600	9,938,200	91,466,900	+2,083,900	42,464,200	24,108,100	15,843,800	9,935,900	92,352,000	+2,969,000	+ 885,100
-	-	+ 100,500	-	-	-	-	-	-	-	-
-	-	- 464,300	-	-	- 751,200	-	-	- 751,200	-	-
-	-	91,103,100	-	-	23,356,900	-	-	91,600,800	-	-

REVISED ESTIMATE, 1892-93.				BUDGET ESTIMATE, 1893-94.			
India.	England.	Exchange.	TOTAL.	India.	England.	Exchange.	TOTAL.
Rs.	£.	Rs.	Rs.	Rs.	£.	Rs.	Rs.
1,727,900	1,068,000	640,800	3,436,700	925,900	1,151,800	722,300	2,800,000
536,900	8,200	4,900	550,000	735,700	8,800	5,500	750,000
2,264,800	1,076,200	645,700	3,986,700	1,661,600	1,160,600	727,800	3,550,000

* See foot-note to Statement A.

C.—STATEMENT of RECEIPTS and DISBURSEMENTS

	ACCOUNTS, 1891-92.			REVISED ESTIMATE, 1892-93.			BUDGET ESTIMATE, 1893-94.		
	India.	England.	TOTAL.	India.	England.	TOTAL.	India.	England.	TOTAL.
REVENUE (from Statement A.)	<i>Rs.</i> 88,773,360	<i>£.</i> 257,919	89,031,279	<i>Rs.</i> 89,683,000	<i>£.</i> 211,400	89,894,400	<i>Rs.</i> 89,690,900	<i>£.</i> 193,500	89,884,400
Exchange added to Revenue	112,004	-	112,004	126,800	-	126,800	121,300	-	121,300
Total	88,885,364	257,919	89,143,283	89,809,800	211,400	90,021,200	89,812,200	193,500	90,005,700
PERMANENT DEBT INCURRED:									
<i>Sterling Debt:</i>									
3 per Cent. Stock	-	4,600,000	-	-	1,300,000	-	-	1,300,000	-
<i>Rupee Debt:</i>									
Rupee Loan	7	-	-	-	-	-	3,000,000	-	-
Loan from Rampur State	-	-	-	250,000	-	-	220,000	-	-
Total	7	4,600,000	4,600,007	250,000	1,300,000	1,550,000	3,220,000	1,300,000	4,520,000
Net			3,038,293			0			3,265,800
UNFUNDED DEBT:									
Treasury Notes	2,300	-	-	1,000	-	-	-	-	-
Deposits of Service Funds	135,381	-	-	135,400	-	-	136,900	-	-
Savings Bank Deposits	3,844,903	-	-	4,209,500	-	-	4,080,900	-	-
Total	3,982,584		3,982,584	4,345,900		4,345,900	4,217,800		4,217,800
Net			899,359			1,056,100			882,200
DEPOSITS AND ADVANCES:									
Balances of Provincial Allotments	178,637	-	-	100,500	-	-	-	-	-
Appropriation for reduction of Debt.	682,170	-	-	-	-	-	-	-	-
Excluded Local Funds	770,194	-	-	759,500	-	-	760,500	-	-
Political and Railway Funds	359,583	-	-	323,400	-	-	319,200	-	-
Deposits of Sinking Funds	-	-	-	4,500	-	-	9,100	-	-
Departmental and Judicial Deposits.	16,306,558	-	-	15,907,800	-	-	15,492,200	-	-
Advances	8,316,775	3,196	-	14,646,200	4,500	-	14,353,900	4,200	-
Suspense Accounts	132,151	-	-	19,500	-	-	51,900	-	-
Exchange on Remittance Accounts (net).	722,553	-	-	915,000	-	-	-	-	-
Miscellaneous	147,661	2,051	-	55,000	-	-	202,408	-	-
Total	27,616,282	5,247	27,621,529	32,731,400	4,500	32,735,900	31,187,800	4,900	31,192,000
Net			1,480,280			454,100			0
Carried forward	120,484,237	4,863,166	-	127,137,100	1,515,900	-	128,437,800	1,497,700	-

of the GOVERNMENT OF INDIA, in INDIA and in ENGLAND.

	ACCOUNTS, 1891-92.			REVISED ESTIMATE, 1892-93.			BUDGET ESTIMATE, 1893-94.		
	India.	England.	TOTAL.	India.	England.	TOTAL.	India.	England.	TOTAL.
EXPENDITURE, IMPERIAL and PROVINCIAL (from Statement B.).	<i>Rs.</i>	<i>£.</i>		<i>Rs.</i>	<i>£.</i>		<i>Rs.</i>	<i>£.</i>	
	66,004,760	15,974,699	81,979,459	64,965,100	16,563,600	81,528,700	66,572,300	15,843,800	82,416,100
Exchange, charged as Expenditure	6,937,213	- - -	6,937,213	9,938,200	- - -	9,938,200	9,935,900	- - -	9,935,900
<i>Add.</i> —Provincial Surpluses, transferred to "Deposits."	178,637	- - -	178,637	100,500	- - -	100,500	- - -	- - -	- - -
<i>Deduct.</i> —Provincial Deficits, charged against "Deposits."	-419,561	- - -	-419,561	-464,300	- - -	-464,300	-751,200	- - -	-751,200
Total - - -	72,701,049	15,974,699	88,675,748	74,539,500	16,563,600	91,103,100	75,757,000	15,843,600	91,600,800
EXPENDITURE NOT CHARGED TO REVENUE.									
Capital Outlay on Railways and Irrigation Works	2,247,520	873,257	- - -	2,264,800	1,076,200	- - -	1,661,600	1,160,600	- - -
Exchange on Expenditure not charged to Revenue.	379,223	- - -	- - -	645,700	- - -	- - -	727,800	- - -	- - -
Total - - -	2,626,743	873,257	3,500,000	2,910,500	1,076,200	3,986,700	2,389,400	1,160,600	3,550,000
PERMANENT DEBT DISCHARGED:									
<i>Sterling Debt:</i>									
India 5 per Cent. Stock	- - -	- - -	- - -	- - -	400	- - -	- - -	- - -	- - -
India 4 per Cent. Stock	- - -	4,262	- - -	- - -	500	- - -	- - -	- - -	- - -
India 3½ per Cent. Debentures	- - -	1,386,000	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Oudh and Rohilkhund Railway Debentures.	- - -	31,000	- - -	- - -	1,770,300	- - -	- - -	729,000	- - -
South Indian Railway Debentures.	- - -	86,100	- - -	- - -	150,000	- - -	- - -	520,200	- - -
<i>Rupee Debt:</i>									
4½ per Cent. Loans	6,100	- - -	- - -	3,200	- - -	- - -	3,800	- - -	- - -
4 per Cent. Loans	43,946	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Provincial Debentures	4,200	- - -	- - -	1,800	- - -	- - -	1,000	- - -	- - -
Stock Notes	106	- - -	- - -	- - -	- - -	- - -	200	- - -	- - -
Total - - -	54,352	1,507,362	1,561,714	5,000	1,921,200	1,926,200	5,000	1,249,200	1,254,200
Net - - -	- - -	- - -	0	- - -	- - -	376,200	- - -	- - -	0
UNFUNDED DEBT:									
Special Loans	138	- - -	- - -	200	- - -	- - -	200	- - -	- - -
Treasury Notes	700	- - -	- - -	500	- - -	- - -	- - -	- - -	- - -
Deposits of Service Funds	88,657	- - -	- - -	92,200	- - -	- - -	93,000	- - -	- - -
Savings Bank Deposits	2,993,730	- - -	- - -	3,196,900	- - -	- - -	3,242,400	- - -	- - -
Total - - -	3,083,225	- - -	3,083,225	3,289,800	- - -	3,289,800	3,335,600	- - -	3,335,600
Net - - -	- - -	- - -	0	- - -	- - -	0	- - -	- - -	0
DEPOSITS AND ADVANCES:									
Balances of Provincial Allotments	419,561	- - -	- - -	464,300	- - -	- - -	751,200	- - -	- - -
Excluded Local Funds	757,366	- - -	- - -	753,700	- - -	- - -	752,600	- - -	- - -
Political and Railway Funds	369,248	- - -	- - -	328,900	- - -	- - -	313,700	- - -	- - -
Departmental and Judicial Deposits.	15,936,179	- - -	- - -	15,732,100	- - -	- - -	15,541,800	- - -	- - -
Advances	8,249,108	2,594	- - -	14,869,400	4,200	- - -	14,356,400	2,000	- - -
Suspense Accounts	141,254	- - -	- - -	51,800	- - -	- - -	22,300	- - -	- - -
Exchange on Remittance Accounts net	- - -	- - -	- - -	- - -	- - -	- - -	482,800	- - -	- - -
Miscellaneous	265,233	706	- - -	76,800	600	- - -	55,000	- - -	- - -
Total - - -	26,137,949	3,300	26,141,249	32,277,000	4,800	32,281,800	32,275,800	2,000	32,277,800
Net - - -	- - -	- - -	0	- - -	- - -	0	- - -	- - -	1,085,800
Carried forward - - -	104,603,318	18,358,618	- - -	113,021,800	19,565,800	- - -	113,762,800	18,255,600	- - -

C.—STATEMENT of RECEIPTS and DISBURSEMENTS

	ACCOUNTS, 1891-92.			REVISED ESTIMATE, 1892-93.			BUDGET ESTIMATE, 1893-94.		
	India.	England.	TOTAL.	India.	England.	TOTAL.	India.	England.	TOTAL.
	Rx.	£.		Rx.	£.		Rx.	£.	
Brought forward - - -	120,484,237	4,863,166	- -	127,137,100	1,515,900	- -	123,437,800	1,497,700	-
Loans and Advances by Imperial Government.	128,662	- -	128,662	102,300	- -	102,300	714,000	- -	714,000
Net - - -	- -	- -	0	- -	- -	0	- -	- -	564,400
Loans and Advances by Provincial Governments.	261,135	- -	261,135	310,000	- -	310,000	332,000	- -	332,000
Net - - -	- -	- -	0	- -	- -	0	- -	- -	0
Capital Receipts from Railway Companies:									
On account of Subscribed Capital.	180,837	1,082,605	- -	- -	1,538,600	- -	- -	1,420,000	-
Repayments - - -	1,200,961	8,001	- -	1,175,800	9,100	- -	1,222,900	-	-
Total - - -	1,381,798	1,090,606	2,472,404	1,175,800	1,547,700	2,723,500	1,222,900	1,420,000	2,642,900
Net - - -	- -	- -	0	- -	- -	626,500	- -	- -	0
Remittances:									
Inland Money Orders - - -	17,365,788	- -	- -	18,100,000	- -	- -	19,100,000	- -	-
Other Local Remittances - - -	69,071	- -	- -	- -	- -	- -	- -	- -	-
Other Departmental Accounts - - -	651,843	- -	- -	630,200	- -	- -	643,000	- -	-
Net Receipts by Civil Treasuries from—									
Post Office - - -	891,797	- -	- -	988,900	- -	- -	874,500	- -	-
Telegraph - - -	37,845	- -	- -	57,500	- -	- -	36,600	- -	-
Guaranteed Railways - - -	3,733,806	- -	- -	3,575,200	- -	- -	3,408,700	- -	-
Public Works - - -	- -	- -	- -	408,300	- -	- -	- -	- -	-
Net Receipts from Civil Treasuries by—									
Marine - - -	215,703	- -	- -	203,700	- -	- -	214,500	- -	-
Military - - -	14,292,281	- -	- -	14,113,600	- -	- -	14,314,800	- -	-
Public Works - - -	618,941	- -	- -	301,700	- -	- -	72,900	- -	-
Remittance Account between England and India.	1,184,038	188,287	- -	1,372,400	194,600	- -	1,529,200	136,000	-
Total - - -	39,061,203	188,287	39,249,490	39,751,500	194,600	39,946,100	40,284,300	136,000	40,420,300
Net - - -	- -	- -	116,140	- -	- -	649,500	- -	- -	0
SECRETARY OF STATE'S BILLS DRAWN.	- -	16,093,854	16,093,854	- -	17,200,000	17,200,000	- -	18,700,000	18,700,000
TOTAL RECEIPTS - - -	161,317,035	22,235,913	- -	168,476,700	20,458,200	- -	170,991,000	21,753,700	-
Opening Balance - - -	17,876,244	3,835,050	- -	17,287,005	4,122,626	- -	15,204,205	2,602,826	-
GRAND TOTAL - - -	179,193,279	26,070,963	- -	185,763,705	24,580,826	- -	186,195,205	24,356,526	-

Fort William, Finance and Commerce Department,
23 March 1893.H. G. Cowie,
Deputy Comptroller General.

D.—ACCOUNT of PROVINCIAL and LOCAL SAVINGS charged to REVENUE, and held

PROVINCIAL AND

Note.—These Balances do not include the Balances

	India.	Central Provinces.	Burma.	Assam.
ACCOUNTS, 1891-92.				
Balance at end of 1890-91 - - -	13,062	265,263	395,513	122,159
Added in 1891-92 - - -	- -	25,218	89,112	42,527
Spent in 1891-92 - - -	42	- -	- -	- -
Balance at end of 1891-92 - - -	13,020	290,481	484,625	164,686
REVISED ESTIMATE, 1892-93.				
Balance at end of 1891-92 (by Accounts)	13,020	290,481	484,625	164,686
Added in 1892-93 - - -	- -	- -	(a) 74,500	- -
Spent in 1892-93 - - -	800	40,600	(b) 2,200	26,600
Balance at end of 1892-93 - - -	12,220	249,881	556,925	138,086
BUDGET ESTIMATE, 1893-94.				
Balance at end of 1892-93 (by Revised Estimate).	12,220	249,881	556,925	138,086
Spent in 1893-94 - - -	600	89,900	104,200	74,700
Balance at end of 1893-94 - - -	11,620	159,981	452,725	63,386

(a) Lower Burma.

(b) Upper Burma.

Fort William, Finance and Commerce Department,
23 March 1893.H. G. Cowie,
Deputy Comptroller General.

of the GOVERNMENT OF INDIA, in INDIA and in ENGLAND—continued.

	ACCOUNTS, 1891-92.			REVISED ESTIMATE, 1892-93.			BUDGET ESTIMATE, 1893-94.		
	India.	England.	TOTAL.	India.	England.	TOTAL.	India.	England.	TOTAL.
Brought forward - - -	<i>Rr.</i> 104,603,318	<i>£.</i> 18,358,618	- - -	<i>Rr.</i> 113,021,800	<i>£.</i> 19,565,800	- - -	<i>Rr.</i> 113,762,800	<i>£.</i> 18,255,600	- - -
Loans and Advances by Imperial Government.	617,449	- - -	617,449	442,800	- - -	442,800	149,600	- - -	149,600
Net - - -	- - -	- - -	488,787	- - -	- - -	340,500	- - -	- - -	0
Loans and Advances by Provincial Governments.	726,540	- - -	726,540	812,200	- - -	812,200	608,200	- - -	608,200
Net - - -	- - -	- - -	465,405	- - -	- - -	502,200	- - -	- - -	276,200
Payments to Railway Companies on Capital Account:									
For discharge of Debentures	- - -	1,424,900	- - -	- - -	- - -	- - -	- - -	1,140,000	- - -
For Expenditure	1,119,600	1,074,296	- - -	1,146,400	950,600	- - -	1,599,300	1,469,200	- - -
Total - - -	1,119,600	2,499,196	3,618,796	1,146,400	950,600	2,097,000	1,599,300	2,609,200	4,208,500
Net - - -	- - -	- - -	1,146,392	- - -	- - -	0	- - -	- - -	1,565,600
Remittances :									
Inland Money Orders - - -	17,349,302	- - -	- - -	18,100,000	- - -	- - -	19,100,000	- - -	- - -
Other Local Remittances - - -	- - -	- - -	- - -	1,500	- - -	- - -	- - -	- - -	- - -
Other Departmental Accounts	661,930	- - -	- - -	630,200	- - -	- - -	643,000	- - -	- - -
Net Payments into Civil Treasuries by—									
Post Office - - -	891,795	- - -	- - -	988,900	- - -	- - -	874,500	- - -	- - -
Telegraph - - -	39,340	- - -	- - -	57,500	- - -	- - -	36,600	- - -	- - -
Guaranteed Railways	3,736,325	- - -	- - -	3,575,200	- - -	- - -	3,498,700	- - -	- - -
Net Issues from Civil Treasuries to—									
Marine - - -	214,811	- - -	- - -	203,700	- - -	- - -	214,600	- - -	- - -
Military - - -	14,292,281	- - -	- - -	14,113,600	- - -	- - -	14,314,800	- - -	- - -
Public Works - - -	685,907	- - -	- - -	- - -	- - -	- - -	72,900	- - -	- - -
Remittance Account between England and India.	171,136	1,090,523	- - -	164,400	1,461,600	- - -	155,000	1,519,200	- - -
Total - - -	38,042,827	1,090,523	39,133,350	37,835,000	1,461,600	39,296,600	38,910,100	1,519,200	40,429,300
Net - - -	- - -	- - -	0	- - -	- - -	0	- - -	- - -	9,000
SECRETARY OF STATE'S BILLS PAID.	16,796,540	- - -	16,796,540	17,301,300	- - -	17,301,300	18,522,100	- - -	18,522,100
TOTAL DISBURSEMENTS	161,906,274	21,948,337	- - -	170,559,500	21,978,000	- - -	173,552,100	22,384,000	- - -
Closing Balance - - -	17,287,005	4,122,626	- - -	15,304,205	2,602,826	- - -	12,643,105	1,972,526	- - -
GRAND TOTAL - - -	179,193,279	26,070,963	- - -	185,763,705	24,580,826	- - -	186,195,205	24,356,526	- - -

Stephen Jacob,
Comptroller General.

J. F. Finlay,
Secretary to the Government of India.

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.
<i>Rr.</i> 436,697	<i>Rr.</i> 578,795	<i>Rr.</i> 483,505	<i>Rr.</i> 1,308,976	<i>Rr.</i> 820,867	<i>Rr.</i> 4,424,837
- - -	21,780	- - -	- - -	- - -	178,637
34,508	- - -	10,510	340,872	33,629	419,561
402,189	600,575	472,995	968,104	787,238	4,183,913
402,189	600,575	472,995	968,104	787,238	4,183,913
- - -	26,000	- - -	- - -	- - -	100,500
39,000	- - -	112,000	172,800	70,300	464,300
363,189	626,575	360,995	795,304	716,938	3,820,113
363,189	626,575	360,995	795,304	716,938	3,820,113
45,200	50,500	64,800	190,400	130,900	751,200
317,989	576,075	296,195	604,904	586,038	3,068,913

Stephen Jacob,
Comptroller General.

J. F. Finlay,
Secretary to the Government of India.

E.—STATEMENT of NET REVENUE and EXPENDITURE.—INDIA and ENGLAND.

NET REVENUE. - - - - -

	ACCOUNTS, 1891-92.				
	Gross Revenue.	Refunds and Drawbacks.	Total, after deducting Refunds and Drawbacks.	Charges in respect of Collection.	Net Revenue.
	Rx.	Rx.	Rx.	Rx.	Rx.
Land Revenue - - - - -	23,965,774	64,490	23,901,284	3,835,126	20,066,158
Opium - - - - -	8,012,380	12	8,012,368	1,861,813	6,150,555
Salt - - - - -	8,636,182	38,112	8,598,070	459,034	8,139,036
Stamps - - - - -	4,262,156	47,198	4,214,958	138,447	4,076,511
Excise - - - - -	5,117,264	30,355	5,086,909	190,097	4,896,812
Provincial Rates - - - - -	3,502,837	5,463	3,497,374	58,703	3,438,671
Customs - - - - -	1,701,288	46,977	1,654,311	136,363	1,517,948
Assessed Taxes - - - - -	1,652,823	14,726	1,638,097	29,577	1,608,520
Forest - - - - -	1,490,582	5,657	1,484,925	843,926	640,999
Registration - - - - -	399,802	1,363	398,439	207,863	190,576
Tributes from Native States - - - - -	775,961	-	775,961	-	775,961
	59,517,049	254,353	59,262,696	7,760,949	51,501,747
<i>Deduct</i> ,—Assignments and Compensations - - - - -	-	-	-	-	1,531,860
TOTAL NET REVENUE - - - - -	-	-	-	-	49,969,887

NET EXPENDITURE. - - - - -

	ACCOUNTS, 1891-92.		
	Gross Expenditure.	Receipts.	Net Expenditure.
	Rx.	Rx.	Rx.
Interest - - - - -	4,315,176	879,443	3,435,733
Post Office, Telegraph, and Mint - - - - -	2,429,188	2,575,736	— 146,548
Civil Departments - - - - -	13,853,842	1,656,157	12,197,685
Miscellaneous Civil Charges - - - - -	5,046,622	897,284	4,149,338
Famine Relief and Insurance - - - - -	1,268,319	-	1,268,319
Construction of Railways (charged against Revenue in addition to that under Famine Insurance). Railway Revenue Account - - - - -	163,233	-	163,233
	20,253,910	19,938,046	315,864
Irrigation - - - - -	2,945,019	2,272,040	672,979
Buildings and Roads - - - - -	6,208,752	627,124	5,581,628
Army Services - - - - -	22,280,601	780,404	21,500,197
Special Defence Works - - - - -	604,848	-	604,848
	79,369,510	29,626,234	49,743,276
Provincial and Local Surpluses and Deficits - - - - -	+ 178,637 — 419,561	-	— 240,924
TOTAL NET EXPENDITURE - - - - -	-	-	49,502,352
Surplus (+) or deficit (—) - - - - -	-	-	+ 467,535
	-	-	49,969,887

E.—STATEMENT of NET REVENUE and EXPENDITURE.—INDIA and ENGLAND.

NET REVENUE.

REVISED ESTIMATE, 1892-93.					BUDGET ESTIMATE, 1893-94.				
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.
Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
24,857,600	57,100	24,800,500	3,956,100	20,844,400	25,157,200	56,000	25,101,200	4,112,300	20,988,900
7,966,500	200	7,966,300	1,595,000	6,371,300	7,316,200	100	7,316,100	2,255,000	5,061,100
8,648,600	33,900	8,614,700	465,300	8,149,400	8,587,800	37,000	8,550,800	510,800	8,040,000
4,458,200	48,600	4,409,600	141,400	4,268,200	4,434,100	46,900	4,387,200	154,700	4,232,500
5,203,600	30,200	5,173,400	194,100	4,979,300	5,145,000	22,100	5,123,800	208,800	4,915,000
3,645,700	8,300	3,637,400	58,300	3,579,100	3,707,100	5,100	3,702,000	53,500	3,648,500
1,616,800	59,200	1,557,600	139,900	1,417,700	1,665,200	41,200	1,624,000	144,800	1,479,200
1,683,100	16,700	1,666,400	30,400	1,636,000	1,687,200	12,800	1,674,400	32,400	1,642,000
1,627,600	2,800	1,625,000	895,600	729,400	1,588,800	2,800	1,586,000	990,200	595,800
430,700	1,100	429,600	212,100	217,500	429,300	900	428,400	222,000	206,400
798,600	-	798,600	-	798,600	771,700	-	771,700	-	771,700
60,937,000	257,900	60,679,100	7,688,200	52,990,900	60,490,500	224,900	60,265,600	8,684,500	51,581,100
-	-	-	-	1,517,500	-	-	-	-	1,477,900
-	-	-	-	51,473,400	-	-	-	-	50,103,200

NET EXPENDITURE.

REVISED ESTIMATE, 1892-93.			BUDGET ESTIMATE, 1893-94.		
Gross Expenditure.	Receipts.	Net Expenditure.	Gross Expenditure.	Receipts.	Net Expenditure.
Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
4,343,200	868,600	3,474,600	4,065,900	893,600	3,172,300
2,528,400	2,755,500	— 227,100	2,609,300	2,720,800	— 111,500
14,344,100	1,660,800	12,683,300	14,472,000	1,635,500	12,836,500
5,559,100	898,400	4,660,700	5,538,100	982,900	4,555,200
1,133,700	-	1,133,700	1,159,800	-	1,159,800
292,900	-	292,900	75,100	-	75,100
20,775,000	19,064,200	1,710,800	21,545,800	19,551,700	1,994,100
2,982,300	2,404,300	578,000	2,860,100	2,337,700	522,400
5,927,400	639,100	5,288,300	6,090,600	623,900	5,466,700
23,557,900	793,300	22,764,600	23,011,400	769,100	22,242,300
559,300	-	559,300	536,600	-	536,600
82,003,300	29,084,200	52,919,100	81,964,700	29,515,200	52,449,500
+ 100,500	-	— 363,800	— 751,200	-	— 751,200
- 464,300	-	-	-	-	-
-	-	52,555,300	-	-	51,698,300
-	-	— 1,081,900	-	-	— 1,595,100
-	-	51,473,400	-	-	50,103,200

Stephen Jacob,
Comptroller General.

J. F. Finlay,
Secretary to the Government of India.

APPENDIX III.

COMMERCIAL AND FINANCIAL STATISTICS.

TABLE I.—MISCELLANEOUS.

	1884-85.	1885-86.	1886-87.	
Recorded Revenue compared with the recorded Expenditure, excluding Capital Expenditure on Public Works not charged against Revenue:				
Surplus - - - - -	-	-	178,427	1
Deficit - - - - -	<i>Rx.</i> 386,446	2,801,726	-	2
Capital Expenditure on Public Works not charged against Revenue.*	" 4,226,613	5,275,364	5,670,484	3
Capital Charge involved in Redemption of Liabilities - -	£. 1,314,746	1,086,045	4,914,546	4
Net Public Debt incurred - - - - -	1,193,924	3,584,979	9,727,538	5
Net Public Debt incurred, including Capital transactions with Guaranteed Railways, and other Companies.	801,966	7,735,903	9,043,165	6
Value of commodities exported, excluding Gold and Silver	<i>Rx.</i> 83,255,000	83,881,000	88,470,000	7
Value of commodities imported, excluding Gold and Silver	" 55,703,000	55,656,000	61,777,000	8
Excess of Exports over Imports, excluding Gold and Silver	" 27,552,000	28,225,000	26,693,000	9
Net Imports of Gold - - - - -	" 4,672,000	2,763,000	2,177,000	10
Net Imports of Silver - - - - -	" 7,246,000	11,607,000	7,156,000	11
TOTAL Net Imports of Gold and Silver - - -	" 11,918,000	14,370,000	9,333,000	12
Excess of Exports over Imports, including Gold and Silver	" 15,634,000	13,855,000	17,360,000	13
Grand Total Value of Imports and Exports of all kinds - -	" 154,817,000	156,123,000	163,021,000	14
Secretary of State's Bills sold - - - - -	<i>Rs.</i> 17,10,22,119	13,53,25,369	16,70,03,150	15
Sterling equivalent received - - - - -	£. 13,758,909	10,292,692	12,136,279	16
Silver coined at the Indian Mints - - - - -	<i>Rx.</i> 5,794,232	10,285,567	4,616,537	17
Maximum price in pence of an oz. Troy standard silver in London	<i>d.</i> 51 (April)	50½ (May)	47½ (Jan.)	18
Minimum - - ditto - - ditto - - - - -	" 48½ (Feb.)	46½ (Jan.)	42 (Aug.)	19
Average exchange upon Secretary of State's Bills sold per rupee.	1 s. 7-308 d.	1 s. 6-254 d.	1 s. 5-441 d.	20
Fixed rate of exchange for the adjustment of transactions between the Indian and Imperial Treasuries.	1 s. 7½ d.	1 s. 7½ d.	1 s. 6½ d.	21
Maximum rate of discount on Loans on demand at the Bank of Bengal, Calcutta.	11 (April and May)	9 (May)	8 (June, July, Feb. and March.)	22
Minimum - - ditto - - ditto - - - - -	3 (Nov. and Dec.)	4 (From July to Jan.)	5 (Nov., Dec., & Jan.)	23
Maximum rate of discount at the Bank of England	5 (Nov., Dec. & Jan.)	4 (Dec.)	5 (Dec. and Jan.)	24
Minimum - - ditto - - ditto - - - - -	2 (June to Sept.)	2 (May to Nov.)	2 (April & May)	25
Maximum Government Balances at the three Presidency Banks.	<i>Rx.</i> 5,731,200 (Nov.)	6,486,800 (Dec.)	4,594,600 (June)	26
Minimum - - ditto - - ditto - - - - -	" 2,991,900 (May)	3,638,800 (May)	3,296,500 (Sept.)	27
Maximum price in Calcutta of Government 4 per Cent. Rupee Securities.	101-12 (June)	99-14 (July)	98-2 (Sept.)	28
Minimum - - ditto - - ditto - - - - -	94-12 (March)	91-12 (May)	95-0 (Feb.)	29
Maximum amount outstanding on London Register of Rupee Securities encased for Interest Drafts.	<i>Rx.</i> 22,196,100 (May)	20,551,700 (April)	19,707,100 (Oct.)	30
Minimum - - ditto - - ditto - - - - -	" 21,836,600 (Mar.)	19,181,300 (Dec.)	19,053,000 (Mar.)	31
Maximum price in London of 4 per Cent. (Rupee) Securities, in gold.	82½ (May)	78½ (July)	73½ (Nov.)	32
Minimum - - ditto - - ditto - - - - -	74 (March)	71½ (Jan.)	65½ (Aug.)	33
Maximum price in London of India 3½ per Cent. Stock	107½ (Sept.)	102½ (Aug.)	102 (May)	34
Minimum - - ditto - - ditto - - - - -	97½ (Mar.)	97 (April)	100½ (Sept.)	35
Maximum price in London of India 3 per Cent. Stock	96½ (Sept.)	91½ (Feb.)	90 (April)	36
Minimum - - ditto - - ditto - - - - -	88½ (Mar.)	85 (July)	85 (Feb.)	37
Maximum Government Paper Currency outstanding	<i>Rx.</i> 15,762,700 (Nov.)	15,713,500 (Oct.)	14,678,200 (Nov.)	38
Minimum - - ditto - - ditto - - - - -	" 12,342,500 (April)	13,017,900 (April)	13,779,400 (April)	39
Number of Savings Banks	5,860	6,193	6,230	40
Number of Depositors in Savings Banks	242,417	262,456	289,090	41
Amount deposited in Savings Banks	<i>Rx.</i> 4,687,082	5,081,183	5,795,249	42
Average of each deposit - - - - -	" 19	19	20	43
Net addition to deposits - - - - -	" 681,152	304,101	714,066	44

* Excludes Capital charge involved in redemption of Liabilities.

APPENDIX

COMMERCIAL AND FINANCIAL STATISTICS.

TABLE I.—MISCELLANEOUS.

	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	Revised Estimate, 1892-93.	Budget, 1893-94.
1							
2	2,028,832	37,018	2,612,033	3,688,171	467,635	1,081,900	1,595,100
3	2,784,824	1,638,001	3,173,390	3,365,632	3,500,000	3,986,700	3,550,000
4		10,336,049		4,692,557			
5	5,435,799	13,487,881	5,129,018	6,293,714	3,038,293	376,200	3,265,800
6	4,861,672	9,456,342	3,913,426	3,639,498	1,891,901	250,300	1,700,200
7	90,544,000	97,049,000	103,460,000	100,227,000	108,173,000		
8	65,005,000	69,440,000	69,197,600	71,975,000	69,432,000		
9	25,539,000	27,609,000	34,263,000	23,252,000	38,741,000		
10	2,992,000	2,814,000	4,615,000	5,636,000	2,414,000		
11	9,229,000	9,247,000	10,938,000	14,175,000	9,022,000		
12	12,221,000	12,061,000	15,553,000	19,811,000	11,436,000		
13	13,318,000	15,548,000	18,710,000	8,441,000	27,305,000		
14	170,979,000	182,119,000	192,024,000	196,260,000	195,615,000		
15	21,81,23,993	20,89,91,221	22,41,86,638	21,18,69,300	23,08,28,115	27,52,00,000	30,42,71,186
16	15,358,577	14,262,859	15,474,496	15,969,034	16,093,854	17,200,000	18,700,000
17	10,788,425	7,282,255	8,541,158	13,193,473	5,553,970		
18	45½ (Dec.)	44½ (Sept.)	44½ (Jan.)	54½ (Sept.)	46½ (July)	41½ (June)	
19	43 (Mar.)	41½ (May)	41½ (May)	43½ (April)	43 (Mar.)	37½ (March)	
20	1 s. 4-899 d.	1 s. 4-379 d.	1 s. 4-566 d.	1 s. 6-089 d.	1 s. 4-733 d.	1 s. 3 d.	1 s. 2½ d.
21	1 s. 6 d.	1 s. 5 d.	1 s. 4½ d.	1 s. 5 d.	1 s. 6½ d.	1 s. 4½ d.	1 s. 2½ d.
22	9 (April and May)	12 (Feb. & Mar.)	11 (Feb. and Mar.)	12 (April)	5 (Jan. and Mar.)	6 (Jan.)	
23	3 (Oct. to Dec.)	4 (May to Sept.)	4 (June, July & Oct.)	3 (Aug. to Feb.)	2 (Aug. and Sept.)	3 (May to Dec.)	
24	4 (Sept. to Jan.)	5 (Oct. to Jan.)	6 (Jan. and Feb.)	6 (Nov.)	5 (May and June)	3 (April, Oct., Nov., Dec. and Jan.)	
25	2 (April to Aug.)	2 (April & May)	2½ (April & July)	3 (April, May, June, Feb. and March.)	2½ (July, Aug. and Sept.)	2 (May to Oct.)	
26	3,595,900 (Feb.)	4,385,500 (June)	4,446,400 (March)	4,083,800 (June)	4,743,700 (June)	4,123,600 (May)	
27	2,861,500 (Dec.)	2,791,900 (Nov.)	2,856,900 (Nov.)	2,937,300 (Oct.)	2,871,600 (Oct.)	2,751,900 (Nov.)	
28	100 (Oct.)	101-1 (Sept.)	100-10 (July)	106-6 (Jan.)	108-4 (June)	109-2 (May)	
29	95-4 (April)	96-6 (Jan.)	96-3 (Jan.)	99-7 (April)	104-10 (Feb.)	103-7 (Sept.)	
30	20,812,100 (March)	21,701,500 (March)	21,962,100 (Nov.)	26,724,500 (Mar.)	27,921,500 (Feb.)	27,256,600 (April)	
31	18,916,300 (Oct.)	20,972,300 (April)	21,586,900 (March)	21,498,800 (April)	26,531,900 (Aug.)	26,016,100 (July)	
32	70½ (Sept.)	69½ (Sept.)	70½ (Jan.)	90½ (Aug.)	78½ (July)	70½ (June)	
33	67 (April)	65½ (May)	66½ (Sept.)	70½ (April)	66½ (Mar.)	62½ (Aug. and Dec.)	
34	108 (Mar.)	108½ (Mar.)	109½ (May)	110 (Feb.)	108½ (April)	109½ (Dec.)	
35	100½ (Sept.)	104 (Oct.)	106½ (Dec.)	104½ (Nov.)	103½ (June)	105 (Aug.)	
36	99½ (Mar.)	100½ (Feb.)	102 (Aug.)	100½ (April)	97½ (April)	98½ (May)	
37	87½ (April)	96 (May)	99 (April)	94½ (Nov.)	93 (June)	95 (Aug.)	
38	18,610,300 (Nov.)	18,055,300 (July)	16,667,800 (Nov.)	27,660,300 (Jan.)	27,040,700 (July)		
39	13,903,200 (May)	14,829,300 (Feb.)	15,466,500 (Dec.)	17,419,600 (April)	22,624,200 (Jan.)		
40	6,152	6,237	6,546	6,642	6,642		
41	331,867	383,267	431,805	475,329	528,753		
42	6,675,571	7,622,544	7,531,868	8,062,241	8,886,372		
43	20	20	18	17	17		
44	880,322	946,973	-90,576	530,373	824,131		

APPENDIX III.—continued.

COMMERCIAL AND FINANCIAL STATISTICS.

TABLE II.—SEA-BORNE TRADE for the YEAR. (Principal ARTICLES arranged in order of their DECLARED VALUE.)

No.	EXPORTS.	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.
1	Cotton—					
	Raw:					
	Quantity - - - - -	Cwt. 5,374,542	5,331,536	6,320,342	5,913,923	4,424,947
	Value - - - - -	Rx. 14,412,842	15,045,048	18,668,404	16,502,775	10,754,312
	Average declared value per lb. - - - - -	{ Annas 3 10	{ Rs. 4 -	{ As. 4 3	{ As. 4 0	{ As. 3 6
		{ Pence, at average exchange - 4 05	{ 4 19	{ 4 4	{ 4 52	{ 3 66
	Twist and Yarn:					
	Quantity - - - - -	Lbs. 113,451,375	128,906,764	141,949,951	169,275,304	161,253,234
	Value - - - - -	Rx. 4,077,386	5,207,100	5,748,732	6,543,364	5,771,033
	Average declared value per lb. - - - - -	Annas 5 9	As. 6 6	As. 6 6	As. 6 2	As. 5 9
	Other Manufactures:					
	Value - - - - -	Rx. 1,150,542	1,167,464	1,005,011	1,159,275	1,264,003
	Average declared value per yard - - - - -	{ Grey or unbleached - Annas 1 10	{ As. 1 11	{ As. 1 9	{ As. 1 10	{ As. 1 10
		{ Coloured, printed, or dyed - 4 5	{ As. 4 7	{ As. 4 6	{ As. 4 8	{ As. 4 7
	Percentage of manufactures on whole value exported - - - - -	26 62	29 76	26 57	31 82	39 55
2	Wheat:					
	Quantity - - - - -	Cwt. 13,538,169	17,610,081	13,799,224	14,320,496	30,303,425
	Value - - - - -	Rx. 5,562,373	7,522,676	5,791,377	6,042,426	14,380,462
	Average declared value per cwt. - - - - -	{ Rupees 4 1 9	{ 4 4 4	{ 4 3 2	{ 4 3 6	{ 4 11 11
		{ Skillings, at average exchange - 4 79	{ 5 83	{ 5 8	{ 6 36	{ 6 62
3	Rice and Paddy:					
	Quantity - - - - -	Cwt. 23,534,057	23,144,641	27,098,906	34,963,341	33,166,929
	Value - - - - -	Rx. 9,291,686	7,915,409	10,110,482	12,877,740	13,385,971
	Average declared value of husked rice, per cwt. - - - - -	{ Rupees 3 4 5	{ 3 7 2	{ 3 12 1	{ 3 11 3	{ 4 1 -
		{ Skillings, at average exchange - 4 61	{ 4 71	{ 5 18	{ 5 58	{ 5 66
4	Seeds:					
	Quantity - - - - -	Cwt. 16,060,400	15,569,978	15,794,742	14,798,999	19,164,522
	Value - - - - -	Rx. 9,385,024	9,561,756	10,627,553	9,343,252	12,208,458
	Average declared value of linseed, per cwt. - - - - -	{ Rupees 5 13 8	{ 5 15 8	{ 6 10 -	{ 6 2 9	{ 6 4 -
		{ Skillings, at average exchange - 8 24	{ 8 16	{ 9 15	{ 9 3	{ 8 71
5	Opium:					
	Quantity - - - - -	Chests 90,096	87,729	85,166	85,753	87,558
	Value - - - - -	Rx. 10,067,764	10,508,081	10,115,936	9,261,815	9,562,261
	Average declared value per chest - - - - -	Rupees 1,117	1,197	1,188	1,080	1,092
6	Jute:					
	Raw and manufactured—Value - - - - -	Rx. 7,786,739	10,468,631	11,491,103	10,083,972	9,361,594
	Average declared value of raw jute per cwt. - - - - -	{ Rupees 6 4 3	{ 7 7 9	{ 8 6 9	{ 6 5 6	{ 8 0 5
		{ Skillings, at average exchange - 8 82	{ 10 21	{ 11 63	{ 9 56	{ 11 19
	Percentage of manufactures on whole value exported - - - - -	22 43	24 56	24 42	24 61	26 84
7	Tea:					
	Quantity - - - - -	Lbs. 87,514,505	97,011,112	103,760,104	107,014,993	120,149,407
	Value - - - - -	Rx. 5,174,440	5,267,315	5,277,650	5,219,233	5,968,129
	Average declared value per lb. - - - - -	{ Annas As. 9 6	{ As. 8 8	{ As. 8 2	{ As. 7 10	{ As. 7 11
		{ Skillings, at average exchange - 84	{ 74	{ 7	{ 74	{ 69
8	Hides and Skins:					
	Quantity - - - - -	No. 30,914,151	32,357,166	30,955,168	32,733,651	35,862,345
	Value - - - - -	Rx. 4,852,382	4,743,546	4,524,261	4,695,919	5,186,002
	Percentage of dressed or manufactured on whole value exported - - - - -	52 07	55 11	55 79	53 99	54 36
9	Indigo:					
	Quantity - - - - -	Cwt. 139,644	142,447	157,116	118,425	125,327
	Value - - - - -	Rx. 3,890,649	3,948,594	3,863,084	3,073,125	3,214,076
	Average declared value per cwt. - - - - -	{ Rupees 278 9 9	{ 277 3 1	{ 245 14 -	{ 259 8 -	{ 256 7 3
		{ Sterling, at average exchange - £ 19 62	{ 18 92	{ 16 97	{ 19 56	{ 17 88
10	Coffee:					
	Quantity - - - - -	Cwt. 273,775	365,299	239,795	233,451	311,864
	Value - - - - -	Rx. 1,529,680	1,884,243	1,489,872	1,454,985	1,998,659
	Average declared value per cwt. - - - - -	{ Rupees 55 14 -	{ 51 9 4	{ 62 2 1	{ 62 5 2	{ 64 1 5
		{ Skillings, at average exchange - 78 68	{ 70 41	{ 85 77	{ 93 95	{ 89 37
11	Wool:					
	Raw and manufactured—Value - - - - -	Rx. 1,086,404	1,090,858	1,211,438	1,072,489	1,108,653
	Average declared value of raw wool per lb. - - - - -	{ Annas As. 6 6	{ As. 7 1	{ As. 7 3	{ As. 7 3	{ As. 7 3
		{ Pence, at average exchange - 6 86	{ 7 25	{ 7 51	{ 8 2	{ 7 58
12	Lac:					
	Value - - - - -	Rx. 501,888	401,078	489,320	781,945	751,474
13	Silk:					
	Raw and manufactured—Value - - - - -	Rx. 860,107	807,238	900,539	724,249	702,584
	Average declared value of raw silk per lb. - - - - -	{ Rupees 2 15 4	{ 2 7 1	{ 3 1 -	{ 2 15 4	{ 3 1 11
		{ Skillings, at average exchange - 4 17	{ 3 33	{ 4 23	{ 4 46	{ 4 35
14	Oils:					
	Value - - - - -	Rx. 471,055	430,306	543,945	551,902	583,811
15	Sugar:					
	Value - - - - -	Rx. 465,829	550,339	917,179	417,562	508,417
16	Teak Wood:					
	Quantity - - - - -	Cubic Tons 40,446	52,609	71,342	42,803	48,190
	Value - - - - -	Rx. 367,274	575,263	762,998	425,303	474,852
	Average declared value per cubic ton - - - - -	{ Rupees 90 12 11	{ 109 5 7	{ 106 15 2	{ 99 5 10	{ 98 8 7
		{ Sterling, at average exchange - £ 6 39	{ 7 46	{ 7 38	{ 7 49	{ 6 87
17	Saltpetre:					
	Quantity - - - - -	Cwt. 386,396	420,503	422,229	399,690	339,135
	Value - - - - -	Rx. 364,016	401,801	411,276	380,059	365,618
	Average declared value per cwt. - - - - -	{ Rupees 9 6 9	{ 9 8 11	{ 9 11 10	{ 9 8 2	{ 9 6 4
		{ Skillings, at average exchange - 13 27	{ 13 04	{ 13 45	{ 14 34	{ 13 1

APPENDIX III.—continued.

TABLE II.—SEA-BORNE TRADE for the Year, &c.—continued.

No.	IMPORTS.	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.
1	Cotton—					
	Twist and Yarn:					
	Quantity - - - - - Lbs.	51,543,277	52,587,342	46,383,843	50,973,105	50,410,630
	Value - - - - - Rx.	3,582,033	3,746,989	3,482,747	3,768,505	3,514,763
	Average declared value per lb. { Annas	11-12	11-4	12-01	11-83	11-16
	{ Pence, at average exchange	11-74	11-67	12-43	13-37	11-67
	Other Manufactures:					
	Value - - - - - Rx.	23,930,241	27,773,247	26,398,597	27,248,395	25,180,682
	TOTAL COTTON GOODS—Gross Imports - Rx.	27,512,274	31,520,230	29,881,344	31,016,900	23,695,445
	Re-exports—					
	Twist and Yarn:					
	Quantity - - - - - Lbs.	1,058,963	1,601,596	1,270,414	1,243,380	1,618,822
	Value - - - - - Rx.	69,345	111,514	91,352	83,801	113,665
	Other Manufactures:					
	Value - - - - - Rx.	1,648,312	1,705,167	1,728,358	1,710,493	1,817,165
	Total Re-exports - Rx.	1,717,657	1,816,681	1,819,710	1,794,294	1,930,830
	TOTAL COTTON GOODS—Net Imports - Rx.	25,794,617	29,703,549	28,061,604	29,222,606	26,764,615
2	Metals - - - - - Value Rx.	5,575,392	4,406,283	5,983,709	6,024,406	6,033,543
3	Silk (Raw and Manufactured) - - - - - "	2,918,139	2,588,105	2,845,159	2,501,430	3,014,698
4	Oils - - - - - "	1,486,791	2,072,825	2,645,213	2,634,187	2,635,955
5	Sugar - - - - - "	2,113,617	1,790,939	2,200,049	3,399,886	2,561,996
6	Railway Plant and Rolling Stock - - - - - "	3,826,264	3,693,939	2,907,086	3,236,786	2,505,471
7	Machinery and Millwork - - - - - "	1,860,583	2,409,737	2,491,428	2,160,483	2,180,019
8	Woollen Manufactures - - - - - "	1,823,358	1,712,548	1,597,549	1,952,600	1,874,896
9	Provisions - - - - - "	1,504,436	1,588,103	1,596,565	1,476,070	1,771,793
10	Liquors - - - - - "	1,506,667	1,508,062	1,489,121	1,438,081	1,449,411
11	Apparel - - - - - "	1,156,182	1,156,469	1,200,020	1,235,804	1,274,497
12	Coal (excluding Coke and Patent Fuel):					
	Quantity - - - - - Tons	821,626	843,743	609,218	799,149	759,709
	Value - - - - - Rx.	1,599,593	1,921,831	1,304,591	1,551,667	1,269,777
	Average declared value per ton { Rupees	19-47	22-76	21-41	19-42	16-71
	{ Shillings, at average exchange	27-42	31-09	29-56	29-27	23-3
13	Spices - - - - - Value Rx.	931,518	855,228	852,350	813,115	797,196
14	Salt:					
	Quantity - - - - - Tons	423,897	398,810	410,808	395,243	373,953
	Value - - - - - Rx.	795,521	882,130	894,632	779,034	627,953
	Average declared value per ton { Rupees	18-77	22-12	21-77	19-71	16-79
	{ Shillings, at average exchange	26-43	30-19	30-05	29-71	23-41

TABLE III.—SEA-BORNE TRADE for the first ELEVEN MONTHS of the Year. (Principal ARTICLES arranged in order of their DECLARED VALUE.)

	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
	Rx.	Rx.	Rx.	Rx.	Rx.
Value of commodities Exported, excluding gold and silver	86,405,227	92,285,086	89,726,199	97,121,568	94,711,513
Value of commodities Imported, excluding gold and silver	63,363,187	62,700,493	65,893,996	63,228,773	60,228,152
EXCESS EXPORTS - - - Rx.	23,042,040	29,584,593	23,832,203	33,892,795	34,483,361
Net Imports of silver - - - - -	7,049,564	9,056,774	13,256,180	6,757,530	11,773,540
Net Imports of gold - - - - -	2,300,924	4,431,684	5,289,211	2,761,390	-2,964,992
TOTAL NET IMPORTS of Gold and Silver - Rx.	9,350,488	13,488,458	18,545,391	9,518,920	8,808,557
GRAND TOTAL IMPORTS AND EXPORTS OF ALL KINDS - - - - - } Rx.	162,375,711	171,994,205	178,052,317	175,181,038	177,280,074

APPENDIX III.—*continued.*TABLE III.—SEA-BORNE TRADE for the first Eleven Months of the Year, &c.—*continued.*

No.	EXPORTS.	ELEVEN MONTHS, 1ST APRIL TO THE END OF FEBRUARY.				
		1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
1	Cotton, Raw :					
	Quantity - - - - - Cwt.	4,343,723	5,064,849	5,014,020	3,736,951	4,181,924
	Value - - - - - R.	12,209,711	14,730,222	14,104,585	9,170,455	10,692,997
	Average value per lb. - - - R.	- 4 -	- 4 2	- 4 -	- 3 6	- 3 8
	Cotton Manufactures—					
	Twist and Yarn :					
	Quantity - - - - - Lbs.	115,742,920	129,785,427	155,991,420	148,189,276	172,295,327
	Value - - - - - R.	4,670,186	5,270,598	6,065,325	5,342,604	6,101,487
	Average value per lb. - - - R.	- 6 5	- 6 6	- 6 3	- 5 9	- 5 8
	Other Manufactures - Value R.	1,089,368	932,973	1,057,389	1,121,810	1,210,584
	TOTAL COTTON (Raw and Manufactured) Value } R.	17,969,265	20,933,793	21,227,299	15,634,869	18,005,068
2	Jute (Raw and Manufactured) Value R.	9,722,431	10,693,299	9,272,242	8,843,939	10,339,592
3	Seeds :					
	Quantity - - - - - Cwt.	14,602,851	14,556,904	13,340,316	17,391,454	14,361,625
	Value - - - - - R.	8,956,138	9,825,845	8,410,665	10,963,820	9,999,073
	Average value per cwt. - - - R.	6 2 2	6 12 -	6 4 11	6 5 3	6 15 5
4	Rice and Paddy :					
	Quantity - - - - - Cwt.	17,551,552	21,784,829	28,562,506	27,020,659	21,785,151
	Value - - - - - R.	6,101,814	8,325,070	10,679,965	10,967,914	9,997,897
	Average value per cwt. - - - R.	3 7 7	3 13 2	3 11 10	4 - 11	4 9 5
5	Opium :					
	Quantity - - - - - Chests	79,069	79,391	79,747	80,924	70,275
	Value - - - - - R.	9,460,586	9,483,368	8,632,378	8,783,417	8,593,894
	Average value per chest - - - R.	1,196 8 -	1,194 8 3	1,082 7 6	1,085 6 3	1,222 14 4
6	Wheat :					
	Quantity - - - - - Cwt.	16,826,203	13,389,833	13,505,683	28,587,884	14,518,292
	Value - - - - - R.	7,165,307	5,609,245	5,691,051	13,506,942	7,206,497
	Average value per cwt. - - - R.	4 4 2	4 3 -	4 3 5	4 11 7	4 15 5
7	Tea :					
	Quantity - - - - - Lbs.	93,823,643	100,815,503	104,560,038	117,599,484	113,756,462
	Value - - - - - R.	5,209,695	5,150,253	5,103,727	5,861,567	6,240,197
	Average value per lb. - - - R.	- 8 8	- 8 2	- 7 10	- 8 -	- 8 9
8	Hides and Skins :					
	Quantity - - - - - Cwt.	757,970	712,413	732,613	773,551	773,485
	Value - - - - - R.	4,273,509	4,104,603	4,186,839	4,676,085	4,951,827
	Average value per cwt. - - - R.	56 6 1	57 9 10	57 2 5	60 7 2	64 - 4
9	Indigo :					
	Quantity - - - - - Cwt.	133,035	147,377	111,715	121,165	122,498
	Value - - - - - R.	3,740,382	3,665,579	2,930,555	3,121,033	4,035,361
	Average value per cwt. - - - R.	281 1 10	248 11 6	262 5 2	257 9 4	329 7 6
10	Coffee :					
	Quantity - - - - - Cwt.	285,559	170,096	195,785	211,201	203,830
	Value - - - - - R.	1,426,314	1,050,866	1,217,545	1,336,844	1,383,015
	Average value per cwt. - - - R.	49 15 2	61 12 6	62 3 -	63 4 9	67 13 7
11	Wool (Raw and Manufactured) Value R.	1,005,633	1,124,592	932,654	1,016,880	1,127,055
12	Silk (Raw and Manufactured) " R.	713,041	814,605	651,491	640,035	713,285
13	Lac - - - - - " R.	353,398	410,716	603,894	624,279	684,442
14	Oils - - - - - " R.	381,316	509,015	493,646	540,148	531,535
15	Teak Wood :					
	Quantity - - - - - Cubic Tons	48,476	65,663	38,867	42,131	53,811
	Value - - - - - R.	531,616	704,932	386,835	422,758	524,783
	Average value per cubic ton - R.	109 10 8	107 5 7	99 8 5	100 5 6	97 8 4
16	Sugar - - - - - Value R.	473,800	905,818	335,677	455,449	418,638
17	Saltpetre :					
	Quantity - - - - - Cwt.	387,800	367,316	351,749	337,410	407,946
	Value - - - - - R.	369,517	357,650	336,137	316,693	402,313
	Average value per cwt. - - - R.	9 8 5	9 11 9	9 8 11	9 6 2	9 13 9

APPENDIX III.—continued.

TABLE III.—SEA-BORNE TRADE for the first Eleven Months of the Year, &c.—continued.

No.	I M P O R T S.	ELEVEN MONTHS, 1ST APRIL TO THE END OF FEBRUARY.				
		1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
1	Cotton—					
	Twist and Yarn :					
	Quantity - - - - - Lbs.	48,244,135	41,803,228	46,539,279	46,671,847	35,493,630
	Value - - - - - Rx.	3,446,025	3,152,351	3,443,744	3,255,329	2,471,858
	Average value per lb. - - - R.	- 11 5	- 12 1	- 11 10	- 11 2	- 11 2
	Ditto - in sterling, at average exchange.	11½d.	1s. -¼d.	1s. 1¼d.	11¼d.	10½d.
	Other Manufactures - Value Rx.	25,234,768	23,682,712	24,853,696	22,787,025	21,118,445
	TOTAL COTTON GOODS— } Rx.	28,680,793	28,835,063	28,300,440	28,042,354	23,590,303
	Re-exports—					
	Twist and Yarn :					
	Quantity - - - - - Lbs.	1,525,894	1,132,224	1,096,760	1,511,343	1,166,241
	Value - - - - - Rx.	405,981	34,045	74,171	404,752	78,138
	Average value per lb. - - - R.	- 11 1	- 11 5	- 10 10	- 11 1	- 10 9
	Other Manufactures - Value Rx.	1,537,878	1,615,772	1,366,313	1,646,278	1,565,503
	Total Re-exports - - - Rx.	1,643,859	1,696,817	1,640,484	1,751,030	1,643,641
	TOTAL COTTON GOODS— } Rx.	27,036,934	25,138,246	26,659,956	24,291,324	21,946,662
2	Metals - - - - - Value Rx.	3,946,321	5,439,002	5,455,500	5,415,524	5,197,191
3	Silk (Raw and Manufactured) - "	2,399,490	2,645,067	2,325,637	2,781,800	2,599,161
4	Oils - - - - - "	1,889,829	2,374,897	2,333,735	2,380,008	2,502,659
5	Sugar - - - - - "	1,581,145	1,933,813	3,151,785	2,343,207	2,411,613
6	Machinery and Millwork - "	2,184,992	2,289,336	1,990,591	2,003,485	2,210,797
7	Railway Plant and Rolling Stock. "	3,504,251	2,623,818	3,007,161	2,316,905	1,946,467
8	Provisions - - - - - "	1,472,321	1,491,481	1,371,276	1,635,619	1,737,506
9	Woollen Manufactures - - - "	1,619,654	1,508,594	1,826,269	1,776,770	1,584,000
10	Liquors - - - - - "	1,371,460	1,337,947	1,305,065	1,307,768	1,317,482
11	Apparel - - - - - "	1,053,751	1,109,106	1,144,236	1,177,139	1,161,286
12	Coal (excluding Coke and Patent Fuel) :					
	Quantity - - - - - Tons	756,732	567,108	721,367	656,702	600,365
	Value - - - - - Rx.	1,726,981	1,214,080	1,409,911	1,099,769	1,042,223
	Average value per ton - - - R.	22 13 2	21 6 9	19 8 9	16 1 11	17 5 9
13	Spices - - - - - Value Rx.	755,248	799,190	738,082	722,841	562,308
14	Salt :					
	Quantity - - - - - Tons	364,424	347,545	366,090	341,356	323,196
	Value - - - - - Rx.	805,274	754,461	717,839	575,185	518,445
	Average value per ton - - - R.	22 1 7	21 11 4	19 9 9	16 13 7	16 - 8

APPENDIX III.—continued.

TABLE IV.—WHOLESALE PRICES of TYPICAL COMMODITIES in GOLD and SILVER.
in London and Calcutta in December in each Year.

(Prices of March 1873 = 100.)

	Measured in Gold.								Measured in Silver.*							
	1885.	1886.	1887.	1888.	1889.	1890.	1891.	1892.	1885.	1886.	1887.	1888.	1889.	1890.	1891.	1892.
In LONDON— (Prices quoted from the London "Economist"):																
Scotch pig iron (warrants)	35	37	37	35	50	40	40	35	45	48	49	50	68	50	54	54
Coals, Hetton, Wallsend (London).	51	51	49	51	63	55	52	48	66	67	66	71	86	69	71	73
Copper, Chili bars - -	45	43	95	87	55	62	52	53	58	56	127	121	75	79	70	82
Straits tin - - - -	64	69	115	68	67	64	63	64	81	89	153	95	92	80	85	97
Wheat - - - - -	55	61	56	55	55	59	71	57	69	80	74	78	75	74	96	86
Flour, town-made - -	53	56	54	61	57	65	66	52	68	71	73	85	78	82	80	80
Beef, inferior - - -	75	75	75	67	87	70	80	75	95	97	100	95	119	88	103	115
Cotton, No. 40, mule twist	64	60	62	65	64	68	57	57	82	77	84	91	88	85	77	87
Wool, Southdown hogs -	51	59	55	54	59	59	59	55	65	76	73	75	80	74	79	84
Sugar, foreign Muscovado	60	42	56	53	45	55	58	51	77	55	75	75	61	69	78	73
Coffee - - - - -	65	66	102	101	112	118	114	120	83	111	136	142	153	149	155	183
Saltpetre - - - - -	78	77	77	77	78	78	77	77	100	99	103	107	107	99	103	116
Gold - - - - -	-	-	-	-	-	-	-	-	127	130	134	140	137	126	135	153
Silver - - - - -	79	77	75	71	73	79	74	65	-	-	-	-	-	-	-	-
In CALCUTTA— (Prices quoted from the Calcutta "Price Current"):																
Grey shirtings (8½ lbs.) - - -	-	-	-	-	-	-	-	-	80	81	79	81	76	74	74	77
Mule twist, white, good, No. 40	-	-	-	-	-	-	-	-	71	62	72	75	74	71	65	73
" " Turkey red, No. 40 (12 lbs.)	-	-	-	-	-	-	-	-	57	58	58	57	57	56	57	61
" " Orange, Nos. 40—160	-	-	-	-	-	-	-	-	73	75	86	85	85	77	73	76
Copper sheathing - - - - -	-	-	-	-	-	-	-	-	58	65	90	91	69	72	72	80
Iron, flat, bolt, bar, and square	-	-	-	-	-	-	-	-	50	53	59	65	79	64	64	97
Spelter, hard - - - - -	-	-	-	-	-	-	-	-	97	109	128	107	144	151	151	217
Hides, buffalo, slaughtered	-	-	-	-	-	-	-	-	77	80	69	74	Nom.	N11	N11	N11
Indigo, good - - - - -	-	-	-	-	-	-	-	-	110	72	82	93	76	88	74	114
Jute, picked - - - - -	-	-	-	-	-	-	-	-	118	131	153	192	192	123	219	183
Shell lac, fine orange	-	-	-	-	-	-	-	-	69	56	68	79	102	76	102	Nom.
Linseed, fine, bold, clean	-	-	-	-	-	-	-	-	101	98	94	112	115	99	112	123
Rice, Ballam - - - - -	-	-	-	-	-	-	-	-	176	106	118	147	165	159	168	196
Silk, raw, Cossimbazar	-	-	-	-	-	-	-	-	73	89	64	76	87	71	64	79
Ten, good Souchong - - -	-	-	-	-	-	-	-	-	64	55	50	52	50	48	41	59
Wheat, Doodiah - - - - -	-	-	-	-	-	-	-	-	72	81	76	87	81	86	103	96
Gold - - - - -	-	-	-	-	-	-	-	-	122	123	131	135	131	122	131	143

* The values measured in silver in London have been calculated from the values in gold on the basis of the price of standard silver in London.

APPENDIX III.—*continued.*TABLE V.—STATEMENT showing the true Financial Results to the REVENUES of *India* of the Guarantee of Interest upon the Capital of GUARANTEED RAILWAY COMPANIES.

	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.
	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>
Open Mileage at end of official year.	3,912	* 3,241	3,243	† 2,588	2,588	2,588	2,588
	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>
Gross Traffic Receipts - - -	7,241,465	7,403,415	6,534,567	6,753,013	6,846,420	6,360,000	6,335,000
Working Expenses - - -	3,604,795	3,752,607	3,365,933	3,251,739	3,353,302	3,100,000	3,100,000
Percentage of Working Expenses on Receipts - - -	49.78	50.68	51.50	48.15	48.98	48.74	48.93
Net Traffic Receipts - - -	3,636,670	3,650,808	3,168,634	3,501,274	3,493,118	3,260,000	3,235,000
Net Gain by the remittance to England of Capital Receipts and Disbursements in India at the contract rates of exchange, instead of at the average yearly rates obtained for the Secretary of State's Bills - - -	—	—	—	—	—	—	—
TOTAL Revenue - - -	3,636,670	3,650,808	3,168,634	3,501,274	3,493,118	3,260,000	3,235,000
Gross Guaranteed Interest paid in India - - - - <i>Rx.</i>	25,595	6,672	9,468	7,597	37,171	2,800	2,600
Gross Guaranteed Interest paid in London - - - - £.	2,094,920	2,097,388	2,337,058	2,354,130	2,114,159	2,145,300	2,154,900
Total Guaranteed Interest (sterling payments converted at the average exchange of the year) -	<i>Rx.</i> 3,852,947	<i>Rx.</i> 3,959,108	<i>Rx.</i> 3,395,279	<i>Rx.</i> 3,130,941	<i>Rx.</i> 3,069,480	<i>Rx.</i> 3,435,300	<i>Rx.</i> 3,508,900
Surplus paid to Railway Companies - - - -	662,622	570,195	441,933	473,334	737,659	582,100	562,800
Land and Supervision - - -	51,436	44,344	30,952	42,087	19,257	29,900	50,400
Interest on Revenue Balances -	2,265	3,288	—	—	—	—	—
Net Loss on Receipts and Disbursements of Capital in India, calculated in the same way as the Gain - - - -	78,683	86,909	142,733	87,538	131,960	159,000	132,600
TOTAL Expenditure - - -	4,647,953	4,663,844	4,010,897	3,734,800	3,958,306	4,206,300	4,260,700
Net Expenditure from the Public Treasury - - - -	1,011,283	1,013,036	842,263	233,520	465,188	946,300	1,025,700
Net Revenue - - - -	—	—	—	—	—	—	—

* The Oudh and Rohilkhand Railway, 692 miles, was purchased by the State on the 1st January 1889, and the mileage is shown under State Railways.

† The South Indian Railway, 654½ miles, was purchased by the State on the 31st December 1890, and the mileage is shown under State Railways.

APPENDIX III.—*continued.*

TABLE VI.—ACTUAL CAPITAL EXPENDITURE on STATE RAILWAYS in 1891-92, and ESTIMATED EXPENDITURE on such Works in 1892-93 and 1893-94, and to end of 1893-94.

RAILWAYS.	Accounts, 1891-92.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.	To end of 1893-94.	Sanctioned Outlay.	Balance remaining unspent.
OPEN LINES.						
East Indian - - - - -	Rx. —75,061	Rx. 599,400	Rx. 162,300	Rx. 15,002,970	Rx. 15,002,970	Rx. —
Rajputana-Malwa - - - - -	—44,316	64,100	32,700	9,361,703	9,361,703	—
Holkar - - - - -	2,560	1,800	3,500	1,309,955	1,309,955	—
Rewari-Ferozepore - - - - -	6,924	400	5,000	1,286,262	1,286,262	—
Bhopal - - - - -	19,654	27,000	26,800	221,423	221,423	—
Warora Colliery - - - - -	1,267	—400	47,600	202,642	202,642	—
Wardha Coal - - - - -	—27,810	700	1,500	500,320	500,320	—
Umaria Colliery - - - - -	7,179	100	5,500	105,609	105,609	—
Burma, including Toung-hoo-Mandalay - - - - -	45,882	96,800	43,200	5,266,866	5,266,866	—
Jorhat - - - - -	273	3,000	1,300	79,467	79,467	—
Cherra-Companygunj - - - - -	2	600	-	77,983	77,983	—
Eastern Bengal - - - - -	128,340	133,700	146,800	8,492,738	8,492,738	—
Tirhoot - - - - -	36,011	124,000	19,800	2,504,903	2,504,903	—
Patna-Gya - - - - -	336	—435,000	-	11	11	—
Nalhati - - - - -	1,610	—36,500	-	—22	—22	—
Kaunia-Dhurla - - - - -	775	-	-	67,251	97,251	—
Oudh and Rohilkhand - - - - -	2,119	—24,300	59,900	10,399,464	10,399,464	—
Cawnpore-Achnera - - - - -	1,713	7,200	7,500	1,162,715	1,162,715	—
Lucknow-Bareilly - - - - -	2,300	-	-	512,114	512,114	—
North Western - - - - -	300,807	} 425,000	286,300	35,729,372	35,729,372	—
Amritsar-Pathankot - - - - -	—661					
South Indian - - - - -	176,932	—164,200	113,700	7,362,444	7,362,444	—
Bezvada Extension - - - - -	1,913	500	500	142,672	142,672	—
Dhond and Manmad - - - - -	6,191	3,800	16,900	1,126,336	1,126,336	—
TOTAL - - - - -	594,940	767,500	980,800	100,945,258	100,945,258	—
LINES UNDER CONSTRUCTION.						
East Indian—Jherria Extension - - - - -	-	190,000	110,000	300,000	367,921	67,921
Godhra-Rutlam - - - - -	204,501	580,000	385,000	1,255,904	1,615,477	359,573
Burma-Meiktila Branch - - - - -	1,057	26,900	-	28,111	30,342	2,231
Ma Valley - - - - -	506,200	447,800	395,000	1,966,936	2,879,554	912,618
Assam-Bengal, Northern Section - - - - -	47,876	—47,900	-	—24	-	24
Eastern Bengal—Barsoe-Kissengunge Branch - - - - -	87,420	43,200	-	130,620	139,506	8,886
Lucknow-RaeBareil-Benares - - - - -	31,855	154,600	80,000	266,455	*298,939	32,484
Bareilly-Rampur-Moradabad - - - - -	18,626	296,700	268,600	583,926	731,925	147,999
Petroleum Operations - - - - -	—5,751	1,800	-	14,772	14,772	—
Frontier Railway Reserve Material - - - - -	23,996	33,000	5,500	430,388	430,388	—
Peshawar Railway Reserve - - - - -	35,750	1,000	-	36,750	138,743	101,993
Mushkaf-Bolan - - - - -	182,369	255,900	600,000	1,039,932	1,990,000	950,068
Mari-Attock - - - - -	68,114	204,400	50,000	322,514	1,182,012	859,498
East Coast, including Kistna Bridge - - - - -	1,303,738	1,248,900	918,000	3,787,385	5,048,075	1,260,690
Mayavaram-Mutupet - - - - -	42,662	87,500	67,500	226,274	270,155	43,881
Dharmavaram-Hindupur - - - - -	111,694	100,000	} 17,800	591,970	793,417	201,447
Guntakul-Dharmavaram - - - - -	-	358,800				
Palanpur-Deesa - - - - -	-	12,000	9,200	21,200	21,267	67
Assam-Bengal (Land) - - - - -	-	18,000	40,000	58,000	108,709	50,709
Hyderabad-Umarkot - - - - -	117,221	43,300	6,300	170,461	187,129	16,668
TOTAL - - - - -	2,777,328	4,055,700	2,952,900	11,231,574	16,248,331	5,016,757
Carried forward - - - - -	3,372,274	4,823,200	3,033,700	112,176,832	117,193,589	5,016,757

* Estimated cost of Lucknow-RaeBareil Section only.

APPENDIX III.—continued.

TABLE VI.—ACTUAL CAPITAL EXPENDITURE ON STATE RAILWAYS, &c.—continued.

RAILWAYS.	Accounts, 1891-92.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.	To end of 1893-94.	Sanctioned Outlay.	Balance remaining unspent.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Brought forward - - -	3,372,274	4,823,200	3,933,700	112,176,832	117,193,589	5,016,757
LINES IN ABEYANCE OR TRANSFERRED TO COMPANIES.						
Ranaghat-Bhagwangola - - - -	-	-	-	30,244	30,244	—
Southern Mahratta - - - -	-	-	-	* 52,707	52,707	—
Bellary-Kistna - - - -	6	300	-	1,657,808	1,657,808	—
Bilaspur-Etawah - - - -	-	-	-	7,514	7,514	—
Vizagapatam-Raipur - - - -	-	-	-	24,504	24,504	—
TOTAL - - -	6	300	-	1,772,777	1,772,777	—
Stores and Reserve - - - -	62,569	-88,500	12,900	55,650	55,650	—
Nagpur-Chhattisgarh Depreciation Account -	-16,485	-11,500	-17,200	46,598	46,598	—
TOTAL - - -	3,418,364	4,723,500	3,929,400	114,051,857	119,068,614	5,016,757
Distributed as under :—						
Capital Expenditure on Public Works (not charged against Revenue):						
State Railways—Construction -	2,770,336	3,436,700	2,800,000	68,598,388	—	—
Redemption of Liabilities - -	-	-	-	33,553,451	—	—
Famine Relief and Insurance :						
Protective Railways - - -	484,795	993,900	1,054,300	5,466,974	—	—
Construction of Railways (charged against Revenue in addition to that under Famine Insurance) - - -						
	163,233	292,900	75,100	6,433,044	—	—
TOTAL as above - - -	3,418,364	4,723,500	3,929,400	114,051,857	119,068,614	5,016,757

* Represents depreciation on works and stores allowed by Government on transfer to the Company.

APPENDIX III.—*continued.*

TABLE VII.—CAPITAL EXPENDITURE on IRRIGATION—MAJOR WORKS, in 1891-92, and ESTIMATED EXPENDITURE on such Works in 1892-93, 1893-94, and to the end of 1893-94, &c.

	Accounts, 1891-92.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.	Total Actual and Estimated Outlay to end of 1893-94.	Sanctioned Estimate.	Balance of sanctioned Estimate remaining to be spent.
IRRIGATION WORKS.						
CAPITAL EXPENDITURE NOT CHARGED AGAINST REVENUE.						
<i>Bengal.</i>						
Orissa Canals - - - - -	38,874	37,800	42,500	2,540,962	3,139,622	598,660
Midnapore Canal :						
Old outlay - - - - -	-	-	-	822,251	831,677	—
Outlay against Open Capital sanctions -	1,447	200	-	3,820	5,632	1,812
Hidgellee Tidal Canal :						
Old outlay - - - - -	-	-	-	179,549	177,269	—
Outlay against Supplementary Estimate	23,492	4,900	10,000	58,622	76,915	18,233
Son Canals :						
Old outlay - - - - -	-	-	-	2,552,628	2,788,870	—
Outlay against Open Capital sanctions -	20,410	15,400	17,500	53,481	70,571	17,090
<i>North Western Provinces and Oudh.</i>						
Ganges Canal :						
Old outlay - - - - -	-	-	-	2,685,061	2,923,592	—
Outlay against Open Capital sanctions -	16,905	13,500	19,100	49,505	32,030	—
Lower Ganges Canal :						
Old outlay - - - - -	-	-	-	3,099,851	3,273,832	—
Outlay against Open Capital sanctions -	21,711	17,100	35,100	73,911	17,321	—
Agra Canal :						
Old outlay - - - - -	-	-	-	849,147	871,752	—
Outlay against Open Capital sanctions -	2,516	2,200	9,300	14,016	3,294	—
Eastern Jumna Canal :						
Old outlay - - - - -	-	-	-	318,507	344,191	—
Outlay against Open Capital sanctions -	6,502	4,400	6,500	17,402	5,752	—
<i>Punjab.</i>						
Western Jumna Canal :						
Old outlay - - - - -	-	-	-	1,051,643	1,078,050	—
Outlay against Open Capital sanctions -	4,692	11,900	28,000	55,406	33,582	—
Western Jumna Canal, Sirsa Branch (State outlay).	56,771	63,900	62,300	242,886	289,269	46,383
Bari Doab Canal :						
Old outlay - - - - -	-	-	-	1,572,350	1,579,860	—
Outlay against Open Capital sanctions -	2,137	26,200	60,000	96,379	93,922	—
Carried forward - - -	195,457	197,509	290,300	16,337,377	—	—

APPENDIX III.—continued.

TABLE VII.—CAPITAL EXPENDITURE ON IRRIGATION, &c.—continued.

	Accounts, 1891-92.	Revised Estimate, 1892-93.	Budget Estimate, 1893-94.	Total Actual and Estimated Outlay to end of 1893-94.	Sanctioned Estimate.	Balance of sanctioned Estimate remaining to be spent.
	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>
Brought forward - - -	195,457	197,500	290,300	16,337,377	—	—
<i>Punjab—continued.</i>						
Sirhind Canal (State outlay) :						
Old outlay - - - - -	—	—	—	2,188,086	2,226,440	—
Outlay against Open Capital sanctions -	33,499	15,000	9,500	83,355	89,701	6,346
Chenab Canal (including Extension) - -	350,635	153,000	180,000	1,238,451	2,568,418	1,329,967
<i>Madras.</i>						
Godavari Delta System :						
Old outlay - - - - -	—	—	—	1,083,383	1,108,933	—
Outlay against Open Capital sanctions -	6,655	500	—	8,055	9,922	1,867
Kistna Delta System - - - - -	42,890	32,700	47,100	1,053,563	1,391,978	338,415
Sangam Anicut System - - - - -	1,649	2,700	5,400	307,736	313,000	5,264
Periyar Project - - - - -	110,248	123,700	117,500	624,058	542,500	—
<i>Bombay.</i>						
Desert Canal - - - - -	388	200	—	122,289	123,479	1,190
Begari Canal - - - - -	—	—	—	162,561	162,561	—
Eastern Nara Works - - - - -	8,517	16,400	24,100	562,082	532,799	—
Mutha Canals - - - - -	10	12,300	14,200	634,493	621,421	—
Other projects - - - - -	5,168	8,000	(a)86,800	3,357,411	—	—
	755,116	568,000	774,900	27,762,900	—	—
<i>Deduct,—Outlay incurred from ordinary Revenues - - - - -</i>	25,452	18,000	24,900	5,532,885	—	—
TOTAL - - - - -	729,664	550,000	750,000	22,230,015	—	—
FAMINE RELIEF AND INSURANCE.						
PROTECTIVE IRRIGATION WORKS.						
<i>North Western Provinces and Oudh.</i>						
Betwa Canal - - - - -	990	1,200	1,800	400,498	425,141	24,643
<i>Punjab.</i>						
Swat River Canal - - - - -	1,000	—	5,700	354,289	354,561	293
<i>Madras.</i>						
Rushikulya Project - - - - -	64,047	49,800	45,000	342,273	394,000	51,727
<i>Bombay.</i>						
Nira Canal - - - - -	11,844	10,400	12,100	520,178	487,938	—
Other projects - - - - -	50	1,600	400	411,466	—	—
	77,931	63,000	65,000	2,028,704	—	—
<i>Deduct,—Outlay incurred from ordinary Revenues - - - - -</i>	—	—	—	285,434	—	—
TOTAL - - - - -	77,981	63,000	65,000	1,743,270	—	—
GRAND TOTAL - - - - -	807,595	613,000	815,000	23,973,285	—	—

(a) Includes Rx. 70,000 held in reserve.

APPENDIX III.—continued

TABLE VIII.—GROSS RECEIPTS, WORKING EXPENSES, and NET TRAFFIC RECEIPTS, of GUARANTEED and STATE RAILWAYS, for Five Years ending 1891-92, with REVISED ESTIMATES for 1892-93, and BUDGET ESTIMATES for 1893-94.

	ACCOUNTS.					Revised	Budget
	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	Estimate,	Estimate,
	Miles.	Miles.	Miles.	Miles.	Miles.	Miles.	Miles.
GUARANTEED RAILWAYS.							
Open mileage at beginning of year	3,896	3,912	* † 3,241	3,243	‡ 2,588	2,588	2,588
<i>Gross Receipts.</i>							
Madras	Rs. 821,237	Rs. 861,715	Rs. 942,442	Rs. 963,319	Rs. 946,852	Rs. 976,000	Rs. 976,000
South Indian	506,398	551,370	582,050	468,015	—	—	—
Bombay, Baroda, and Central India	1,237,163	1,300,596	1,308,085	1,325,745	1,429,292	1,425,000	1,400,000
Great Indian Peninsula	2,984,601	4,208,148	3,701,990	3,998,034	4,477,378	3,960,000	3,960,000
Oudh and Rohilkhand	701,776	481,686	—	—	—	—	—
TOTAL	7,241,465	7,403,415	6,534,567	6,768,013	6,844,420	6,360,000	6,335,000
<i>Working Expenses.</i>							
Madras	513,922	498,678	536,576	497,965	548,941	540,000	540,000
South Indian	872,378	382,017	377,325	281,260	—	—	—
Bombay, Baroda, and Central India	620,188	559,240	559,210	537,842	599,948	580,000	560,000
Great Indian Peninsula	1,842,185	1,999,032	1,992,822	1,935,172	2,204,418	1,980,000	2,000,000
Oudh and Rohilkhand	356,162	312,242	—	—	—	—	—
TOTAL	3,604,795	3,752,607	3,565,933	3,251,739	3,352,302	3,100,000	3,100,000
<i>Net Traffic Receipts.</i>							
Madras	307,605	363,039	405,866	465,254	397,911	435,000	435,000
South Indian	124,020	169,253	204,728	166,765	—	—	—
Bombay, Baroda, and Central India	707,008	740,936	748,575	788,403	822,344	845,000	840,000
Great Indian Peninsula	2,142,185	2,209,116	1,809,168	2,080,862	2,272,862	1,980,000	1,960,000
Oudh and Rohilkhand	548,694	166,444	—	—	—	—	—
TOTAL	3,636,670	3,650,808	3,168,634	3,401,274	3,498,118	3,260,000	3,235,000
STATE RAILWAYS.							
Open mileage at beginning of year	8,081	8,979	§ 10,407	¶ 11,056	12,767	18,106	12,806
<i>Gross Receipts.</i>							
East Indian	Rs. 4,603,216	Rs. 4,471,119	Rs. 4,474,030	Rs. 4,428,495	Rs. 4,957,682	Rs. 4,890,300	Rs. 4,950,300
Dildarnagar-Ghazipur	4,832	4,604	—	—	—	—	—
Rajputana-Malwa	1,698,296	1,903,832	1,938,222	1,851,105	2,205,118	2,240,000	2,210,000
Sindia	45,739	37,080	7,108	—	—	—	—
Bhopal	4,976	5,512	7,916	8,777	12,088	16,000	18,000
Warora Colliery	—	—	—	—	—	—	—
Wardha Coal	78,021	88,442	82,187	90,930	54,425	54,000	54,000
Bengal-Nagpur	—	—	—	—	—	—	—
Katni-Umaria	137,477	162,517	218,187	319,391	637,317	607,500	650,000
Umaria Colliery	8,125	—	—	—	—	—	—
Burma	11,447	17,322	26,408	33,979	37,996	84,000	36,200
Toung-hoo-Mandalay	331,041	314,241	345,338	376,678	406,038	695,000	710,000
Mu Valley	—	21,901	181,449	192,310	210,027	—	—
Jorhat	—	—	—	—	12,614	22,500	35,000
Oberra-Companygunj	4,988	5,264	6,046	6,198	6,408	6,700	6,700
Eastern Bengal	1,220	620	1,235	1,712	1,953	2,000	2,300
Tirhoot	956,481	1,070,599	1,146,727	1,220,112	1,146,384	1,180,000	1,180,000
Bengal and North Western and Tirhoot	180,508	170,864	211,122	211,122	211,122	—	—
Nalhati	—	—	—	—	—	—	—
Patna-Gya	9,408	10,459	10,444	10,008	9,235	—	—
Bengal Central	52,887	49,895	52,151	51,749	60,771	28,600	—
Oudh and Rohilkhand	75,538	72,389	73,991	74,047	76,110	77,000	78,000
Benares Branch	—	174,738	784,746	784,471	879,286	845,000	870,000
Indian Midland	175	700	—	—	—	—	—
Bareilly-Pilibhit	30,663	108,154	314,780	331,908	426,012	452,500	467,500
Lucknow-Sitapur-Seraman	9,558	9,350	10,985	9,364	1,991	—	—
Lucknow-Bareilly	18,205	26,428	31,888	22,729	—	—	—
North Western	—	—	—	—	—	—	—
Amritsar-Pathankot	2,188,185	2,573,190	2,905,416	2,720,774	2,309,010	2,580,000	2,800,000
South Indian	7,350	6,738	10,154	11,225	11,224	—	—
Villupuram-Guntakal	—	—	—	147,044	—	—	—
Villupuram-Guntakal-Nellore Branch	—	—	—	1,995	725,984	790,000	810,000
Bellary-Kistna	4,945	23,566	25,454	24,260	—	—	—
Mysore	6,181	—	—	—	—	—	—
Berwada Extension	51,481	59,014	101,155	122,768	124,256	152,500	152,500
East Coast	—	—	7,667	7,473	8,787	9,800	40,000
Dhond and Manmad	—	—	—	—	—	—	—
Southern Mahratta	22,784	25,545	24,943	26,313	30,858	32,700	33,400
Guntakal-Hindupur	828,423	899,806	407,183	457,186	477,303	460,000	500,000
Hyderabad-Umarkot	—	—	—	—	—	—	—
TOTAL	10,871,926	11,627,120	12,387,864	12,702,224	16,411,934	15,779,400	16,391,500

* The Bellary Branch of the Madras Railway, 83 miles in length, having been transferred to the Southern Mahratta Railway, the mileage is shown under State Railways.

† The Oudh and Rohilkhand Railway, 692 miles, was purchased by the State on 1st January 1889, and the mileage is shown under State Railways.

‡ The South Indian Railway, 654 miles, was purchased by the State on the 1st January 1891, and the mileage is shown under State Railways.

§ Includes the length of the Oudh and Rohilkhand Railway.

¶ Includes the length of the South Indian and Bengal and North Western Railways.

|| The working of this line was transferred to the Great Indian Peninsula Railway from 1st January 1881; the Government of India only receives a percentage of the gross receipts.

APPENDIX III.—continued.

TABLE VIII.—RECEIPTS AND EXPENSES OF RAILWAYS, &c.—continued.

	ACCOUNTS.					Revised	Budget
	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	Estimate,	Estimate,
						1892-93.	1893-94.
STATE RAILWAYS—continued.							
<i>Working Expenses.</i>							
East Indian	1,682,581	1,689,946	1,082,537	1,484,563	1,643,008	1,000,000	1,015,000
Dildarnagar-Ghazipur	2,245	2,195					
Rajputana-Malwa	907,154	970,424	1,020,867	928,086	1,087,886	1,065,000	1,070,000
Sindia	21,323	17,703	3,372				
Bhopal	4,457	4,977	8,458	10,434	8,928	10,800	12,000
Warora Colliery							
Wardha Coal	68,028	61,323	57,348	64,772	43,140	49,700	49,400
Bengal-Nagpur	86,760	127,058	147,176	234,881	803,037	20,800	13,500
Katni-Umaria	9,600					317,500	325,000
Umaria Colliery	2,634	20,363	22,418	23,691	25,976	53,000	52,400
Burma	175,941	189,876	204,756	207,848	225,128	340,000	350,000
Tounghee-Mandalay		32,546	120,702	108,278	110,167		
Mu Valley					12,039	53,000	55,000
Jorhat	6,441	5,707	6,231	5,797	6,950	6,000	6,100
Cherra-Companygunj	3,718	2,116	2,672	1,617	1,909	1,700	2,100
Eastern Bengal	481,139	490,105	510,317	542,205	626,279	537,500	540,000
Tirhoot	106,166	96,264	90,553	31,093	2,218		
Bengal and North Western and Tirhoot					181,962	415,490	380,000
Nalhati	6,192	8,841	7,594	7,822	4,818		
Patna-Gya	24,613	23,788	25,395	23,739	25,983	12,800	65,000
Bengal Central	67,811	51,147	48,048	49,368	57,901	63,500	65,000
Oudh and Rohilkhand					343,935	381,478	375,000
Benares Branch	69	80					
Indian Midland	20,098	69,612	234,086	254,148	267,855	280,000	275,000
Bareilly-Pilibhit	6,766	6,692	7,300	7,898			
Lucknow-Sitapur-Seraman	14,998	18,163	21,268	23,529			
Lucknow-Bareilly				4,428	83,108	43,000	44,000
North Western	1,633,529	1,742,526	1,856,235	1,749,515	1,953,538	1,070,000	1,335,000
Amritsar-Pathankot							
South Indian				70,577	497,698		
Villupuram-Guntakal				1,344		497,500	500,000
Villupuram-Guntakal—Nellore Branch	9,154	27,060	18,269	17,149			
Bellary-Kistna	8,519						
Mysore	42,436	47,744	90,598	96,446	102,932	105,000	105,000
Bezvada Extension			6,083	5,837	6,828	7,300	20,000
East Coast							
Dhond and Manmad*							
Southern Mahratta	222,136	296,965	330,629	336,715	550,906	338,000	300,000
Guntakal-Hindupur							10,300
Hyderabad-Umarkot						5,800	10,000
TOTAL	5,594,187	6,059,256	6,864,440	6,771,840	6,314,480	7,802,400	8,087,500
<i>Net Traffic Receipts.</i>							
East Indian	2,040,535	2,781,173	2,791,493	2,943,933	3,314,024	3,200,300	2,335,300
Dildarnagar-Ghazipur	2,588	2,409					
Rajputana-Malwa	791,142	933,409	917,356	928,089	1,117,231	1,175,000	1,140,000
Sindia	24,417	19,377	3,736				
Bhopal	619	636	542	1,657	4,961	5,700	6,000
Warora Colliery					11,376	4,300	5,800
Wardha Coal	9,993	27,119	24,844	26,168	6,945	3,000	10,800
Bengal-Nagpur	50,717	86,459	70,981	84,510	884,260	200,000	325,000
Katni-Umaria	1,475						
Umaria Colliery	8,813	2,541	3,990	10,298	2,020	1,000	800
Burma	155,200	124,365	143,582	168,838	177,910	355,000	360,000
Tounghee-Mandalay		644	40,747	65,032	99,861		
Mu Valley					1,576	30,500	20,000
Jorhat	1,473	257	185	401	811	700	600
Cherra-Companygunj	2,496	1,496	1,437	204	44	300	200
Eastern Bengal	477,292	560,484	635,410	677,907	820,104	642,500	640,000
Tirhoot	74,850	74,600	120,639	38,623	2,216		
Bengal and North Western and Tirhoot					188,648	147,500	160,000
Nalhati	3,213	1,918	2,860	2,176	4,418		
Patna-Gya	28,374	26,109	26,766	28,010	34,788	10,300	23,000
Bengal Central	7,927	21,243	27,343	24,784	19,109	23,500	28,000
Oudh and Rohilkhand		120,230	440,811	384,428	497,813	470,000	460,000
Benares Branch	106	620					
Indian Midland	10,465	88,642	80,044	77,762	168,457	172,500	192,500
Bareilly-Pilibhit	2,792	2,758	3,855	2,061	1,991		
Lucknow-Sitapur-Seraman	3,307	7,276	10,622	10,300			
Lucknow-Bareilly				3,928	23,206	23,000	20,000
North Western	554,856	630,664	1,049,181	981,259	1,355,476	830,000	955,000
Amritsar-Pathankot	7,350	8,738	10,154	11,225	11,224		
South Indian				76,467	228,286		
Villupuram-Guntakal				61		292,500	310,000
Villupuram-Guntakal—Nellore Branch	4,309	3,494	7,085	7,111			
Bellary-Kistna	2,338						
Mysore	9,055	11,270	10,588	30,322	31,423	48,500	47,500
Bezvada Extension			1,634	1,636	2,909	2,500	12,000
East Coast							8,000
Dhond and Manmad*	22,734	25,545	24,943	26,313	30,858	32,700	33,400
Southern Mahratta	104,285	100,841	76,694	120,431	126,207	123,000	140,000
Guntakal-Hindupur						700	8,200
Hyderabad-Umarkot							4,000
TOTAL	5,277,739	6,767,664	6,523,424	6,931,284	8,197,454	7,977,000	8,204,000

* The working of this line was transferred to the Great Indian Peninsula Railway from 1st January 1881; the Government of India only receives percentage of the gross receipts.

APPENDIX III.—continued.

TABLE IX.—GROSS RECEIPTS, WORKING EXPENSES, and NET EARNINGS of IRRIGATION—MAJOR WORKS, for Five Years ending 1891-92, with REVISED ESTIMATE for 1892-93, and BUDGET ESTIMATE for 1893-94.

	ACTUALS.					Revised	Budget
	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	Estimate, 1892-93.	Estimate, 1893-94.
DIRECT RECEIPTS:	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>
Orissa Canals - - - - -	22,304	24,351	30,422	34,501	37,100	45,000	34,000
Midnapore Canal - - - - -	23,438	25,180	27,761	23,720	28,470	25,000	24,100
Hidgellee Tidal Canal - - - - -	4,186	5,517	4,195	2,804	3,692	6,000	6,000
Son Canals - - - - -	60,395	84,389	89,750	73,648	91,009	89,000	80,900
Ganges Canal - - - - -	197,254	213,014	199,141	248,974	261,685	250,300	250,000
Lower Ganges Canal - - - - -	106,614	123,382	133,309	140,604	178,594	183,600	163,000
Agra Canal - - - - -	48,148	46,622	56,566	61,390	60,100	55,200	53,400
Eastern Jumna Canal - - - - -	70,305	71,154	63,514	83,255	81,294	79,200	83,600
Betwa Canal - - - - -	3,057	7,313	7,585	7,455	10,229	8,900	8,900
Western Jumna Canal (including Sirsa Branch)	135,366	90,170	113,116	160,321	151,127	118,900	116,600
Chenab Canal - - - - -	25	8,768	7,711	9,793	10,294	19,000	50,000
Bari Doab Canal - - - - -	126,141	139,232	139,663	149,559	169,840	230,900	204,200
Sirhind Canal - - - - -	69,900	113,233	133,917	168,523	201,595	243,100	118,100
Swat River Canal - - - - -	10,326	22,753	24,941	25,048	20,369	28,900	23,200
Godavari Delta System - - - - -	12,431	10,653	11,492	12,236	11,096	11,000	11,000
Kistna Delta System - - - - -	4,394	4,669	4,502	5,047	4,831	5,000	5,000
Sangam Anicut System - - - - -	86	142	91	127	74	100	100
Desert Canal - - - - -	3,697	7,037	5,193	2,803	974	3,700	3,800
Begari Canal - - - - -	2,549	5,097	4,404	2,836	1,435	2,700	3,100
Eastern Nara Works - - - - -	1,599	1,681	1,753	2,206	2,044	2,100	2,000
Mutha Canals - - - - -	18,958	21,640	20,625	21,881	24,756	22,200	23,500
Nira Canal - - - - -	768	1,029	2,756	3,609	4,449	7,700	8,800
Other projects - - - - -	29,020	39,776	50,177	44,343	49,680	49,700	50,400
TOTAL - - - - -	950,961	1,061,802	1,132,584	1,284,683	1,404,737	1,487,200	1,323,700
PORTION OF LAND REVENUE DUE TO IRRIGATION:							
Ganges Canal - - - - -	44,301	44,301	54,731	66,446	69,008	71,500	71,500
Lower Ganges Canal - - - - -	20,783	20,959	20,959	20,959	20,959	21,000	21,000
Eastern Jumna Canal - - - - -	22,154	22,153	22,153	23,292	24,614	25,000	25,000
Western Jumna Canal - - - - -	5,140	5,275	4,737	2,368	-	-	-
Chenab Canal - - - - -	-	-	-	-	112	1,500	1,900
Bari Doab Canal - - - - -	37,526	40,469	42,467	44,046	24,988	4,200	2,800
Godavari Delta System - - - - -	183,853	195,920	200,371	204,703	215,151	221,200	224,600
Kistna Delta System - - - - -	132,273	142,362	150,618	167,461	173,970	176,400	186,400
Sangam Anicut System - - - - -	8,041	8,541	12,000	12,946	814	19,200	22,500
Desert Canal - - - - -	8,254	11,030	13,120	12,854	1,458	16,300	16,400
Begari Canal - - - - -	19,391	25,223	22,498	18,922	22,255	27,400	27,400
Eastern Nara Works - - - - -	28,020	34,586	42,908	38,890	37,197	42,200	42,800
Mutha Canals - - - - -	-468	-562	-538	-595	-718	-	-
Nira Canal - - - - -	-31	-44	-128	-171	-213	-	-
Other projects - - - - -	93,318	120,828	103,870	96,875	83,594	99,700	173,300
TOTAL - - - - -	602,555	671,041	689,766	708,996	673,189	725,600	815,600
TOTAL REVENUE:							
Orissa Canals - - - - -	22,304	24,351	30,422	34,501	37,100	45,000	34,000
Midnapore Canal - - - - -	23,438	25,180	27,761	23,720	28,470	25,000	24,100
Hidgellee Tidal Canal - - - - -	4,186	5,517	4,195	2,804	3,692	6,000	6,000
Son Canals - - - - -	60,395	84,389	89,750	73,648	91,009	89,000	80,900
Ganges Canal - - - - -	241,555	257,315	253,872	315,420	330,693	321,800	321,500
Lower Ganges Canal - - - - -	127,397	144,341	154,268	161,563	199,553	204,600	184,000
Agra Canal - - - - -	48,148	46,622	56,566	61,390	60,100	55,200	53,400
Eastern Jumna Canal - - - - -	92,459	93,307	85,667	106,547	105,908	104,200	108,600
Betwa Canal - - - - -	3,057	7,313	7,585	7,455	10,229	8,900	8,900
Western Jumna Canal (including Sirsa Branch)	140,506	95,445	117,853	162,689	151,127	118,900	116,600
Chenab Canal - - - - -	25	3,768	7,711	9,793	10,406	20,500	51,900
Bari Doab Canal - - - - -	163,667	179,701	182,130	113,605	194,828	235,100	207,000
Sirhind Canal - - - - -	69,900	113,233	133,917	168,523	201,595	243,100	118,100
Swat River Canal - - - - -	10,326	22,753	24,941	25,048	20,369	28,900	23,200
Godavari Delta System - - - - -	196,284	206,573	211,863	216,939	226,247	232,200	235,600
Kistna Delta System - - - - -	136,667	147,031	155,120	172,508	178,801	181,400	191,400
Sangam Anicut System - - - - -	8,127	8,683	12,091	13,073	883	19,300	22,600
Desert Canal - - - - -	11,951	18,067	13,313	15,657	2,432	20,000	20,200
Begari Canal - - - - -	21,940	30,320	26,902	21,758	23,690	30,100	30,500
Eastern Nara Works - - - - -	29,619	36,267	44,661	41,096	39,241	44,300	44,800
Mutha Canals - - - - -	18,490	21,078	20,087	21,286	24,038	22,200	23,500
Nira Canal - - - - -	737	985	2,628	3,438	4,236	7,700	8,800
Other projects - - - - -	122,338	160,604	154,047	141,218	133,274	149,400	223,700
TOTAL - - - - -	1,553,516	1,732,843	1,822,350	1,993,679	2,077,926	2,212,800	2,139,300

APPENDIX III.—continued.

TABLE IX.—GROSS RECEIPTS, WORKING EXPENSES and Net Earnings of Irrigation, &c.—continued.

	ACTUALS.					Revised	Budget
	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.	Estimate, 1892-93.	Estimate, 1893-94.
	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>	<i>Rx.</i>
WORKING EXPENSES:							
Orissa Canals - - - - -	48,131	38,717	43,170	43,946	39,609	46,000	43,000
Midnapore Canal - - - - -	24,007	20,035	20,067	19,925	25,733	22,900	22,900
Hidgellee Tidal Canal - - - - -	6,490	7,535	2,572	5,197	4,867	3,700	5,500
Son Canals - - - - -	71,731	75,522	69,747	66,059	65,208	68,000	68,400
Ganges Canal - - - - -	88,300	91,931	95,789	104,495	104,938	105,600	104,400
Lower Ganges Canal - - - - -	86,397	96,850	90,792	88,981	84,774	86,000	83,000
Agra Canal - - - - -	24,478	24,113	25,975	23,225	23,839	24,400	21,800
Eastern Jumna Canal - - - - -	19,266	25,467	24,718	29,804	28,439	30,500	28,700
Betwa Canal - - - - -	8,295	10,444	10,721	10,534	9,795	10,100	10,500
Western Jumna Canal (including Sirsa Branch)	55,527	47,536	47,917	56,050	48,207	45,400	48,000
Chenab Canal - - - - -	5,733	7,835	9,823	8,951	10,724	21,700	30,500
Bari Doab Canal - - - - -	49,665	56,561	56,970	56,593	72,424	69,000	61,400
Sirhind Canal - - - - -	34,537	53,647	60,404	58,600	54,943	63,400	64,500
Swat River Canal - - - - -	8,375	8,745	9,221	10,247	9,579	9,900	8,800
Godavari Delta System - - - - -	51,680	52,221	46,792	56,050	51,569	54,500	50,200
Kistna Delta System - - - - -	32,663	32,299	36,552	38,576	42,038	42,000	39,800
Sangam Anicut System - - - - -	4,369	4,170	4,830	5,213	3,569	4,200	4,300
Desert Canal - - - - -	4,041	2,718	3,690	3,715	11,152	7,900	5,100
Begari Canal - - - - -	6,126	6,452	7,583	6,052	6,314	7,100	7,400
Eastern Nara Works - - - - -	5,474	8,393	8,266	9,375	8,277	9,400	7,400
Mutha Canals - - - - -	6,034	6,246	7,712	7,085	7,393	6,500	6,700
Nira Canal - - - - -	1,673	1,716	2,466	2,734	3,882	5,600	4,000
Other projects - - - - -	34,615	42,523	41,781	47,006	44,227	47,100	49,800
TOTAL - - -	677,607	721,676	727,558	758,413	761,445	790,600	776,100
NET REVENUE:							
Orissa Canals - - - - -	-25,827	-14,366	-12,748	-9,445	-2,509	-1,000	-9,000
Midnapore Canal - - - - -	-569	5,145	7,694	3,795	2,737	2,700	1,200
Hidgellee Tidal Canal - - - - -	-2,304	-2,018	1,623	-2,393	-1,175	2,300	500
Son Canals - - - - -	-11,336	8,867	20,003	7,589	25,801	21,000	12,500
Ganges Canal - - - - -	153,255	165,384	158,083	210,925	225,755	216,200	217,100
Lower Ganges Canal - - - - -	41,000	47,491	63,476	72,582	114,779	118,600	101,000
Agra Canal - - - - -	23,670	22,609	30,591	38,165	36,261	30,800	31,600
Eastern Jumna Canal - - - - -	73,193	67,840	60,949	76,743	77,469	73,400	79,900
Betwa Canal - - - - -	-5,233	-3,131	-3,136	-3,079	434	-1,200	-1,600
Western Jumna Canal (including Sirsa Branch)	84,979	47,909	69,936	106,639	102,920	73,500	68,600
Chenab Canal - - - - -	-5,708	-4,067	-2,112	842	-318	-1,200	21,400
Bari Doab Canal - - - - -	114,002	123,140	125,160	137,012	122,404	166,100	145,600
Sirhind Canal - - - - -	35,363	59,586	73,513	109,923	146,647	179,700	53,600
Swat River Canal - - - - -	1,951	14,008	15,720	14,801	10,790	19,000	14,400
Godavari Delta System - - - - -	144,604	154,352	165,071	160,889	174,678	177,700	185,400
Kistna Delta System - - - - -	104,004	114,732	118,568	133,932	136,763	139,400	151,600
Sangam Anicut System - - - - -	3,758	4,513	7,261	7,860	-2,687	15,100	18,300
Desert Canal - - - - -	7,910	15,349	14,623	11,942	-8,720	12,100	15,100
Begari Canal - - - - -	15,814	23,868	19,319	15,706	17,376	23,000	23,100
Eastern Nara Works - - - - -	24,145	27,874	36,395	31,721	30,964	34,900	37,400
Mutha Canals - - - - -	12,456	14,832	12,375	14,201	16,705	15,700	16,800
Nira Canal - - - - -	-836	-731	162	704	354	2,100	4,800
Other projects - - - - -	87,723	118,081	112,266	94,212	89,047	102,300	173,900
TOTAL - - -	875,909	1,011,167	1,094,792	1,235,266	1,316,481	1,422,200	1,363,200

APPENDIX III.—continued.

CAPITAL ACCOUNT OF GUARANTEED AND SUBSIDISED RAILWAYS.

TABLE X.—ABSTRACT of BUDGET ESTIMATES of CAPITAL TRANSACTIONS of GUARANTEED and SUBSIDISED RAILWAYS, 1892-93 and 1893-94.

RAILWAYS.	AMOUNT IN RUPEES.			AMOUNT OF EXCHANGE.			AMOUNT IN POUNDS STERLING.		
	1892-93.		Budget, 1893-94.	1892-93.		Budget, 1893-94.	1892-93.		Budget, 1893-94.
	Budget.	Revised.		Budget.	Revised.		Budget.	Revised.	
GUARANTEED RAILWAYS.									
RECEIPTS.	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>£.</i>	<i>£.</i>	<i>£.</i>
Madras - - - - -	21,50,000	21,75,000	23,50,000	1,79,000	1,81,000	1,96,000	197,100	199,400	215,400
Bombay, Baroda, and Central India -	27,00,000	29,25,000	27,50,000	2,25,000	2,44,000	2,29,000	247,500	268,100	252,100
Great Indian Peninsula - - -	72,65,000	68,00,000	71,50,000	6,05,000	5,67,000	5,96,000	666,000	623,300	655,400
TOTAL - - -	1,21,15,000	1,19,00,000	1,22,50,000	10,09,000	9,92,000	10,21,000	1,110,600	1,090,800	1,122,900
ADVANCES.									
Madras - - - - -	23,00,000	16,50,000	19,00,000	1,92,000	1,37,000	1,58,000	210,800	151,300	174,200
Bombay, Baroda, and Central India -	16,00,000	13,50,000	16,00,000	1,33,000	1,13,000	1,33,000	146,700	123,700	146,700
Great Indian Peninsula - - -	45,70,000	34,50,000	41,60,000	3,80,000	2,88,000	3,47,000	419,000	316,200	381,300
TOTAL - - -	84,70,000	64,50,000	76,60,000	7,05,000	5,38,000	6,38,000	776,500	591,200	702,200
NET RECEIPTS.									
Madras - - - - -	-1,50,000	5,25,000	4,50,000	-13,000	44,000	38,000	-13,700	48,100	41,200
Bombay, Baroda, and Central India -	11,00,000	15,75,000	11,50,000	92,000	1,31,000	96,000	100,800	144,400	105,400
Great Indian Peninsula - - -	26,95,000	33,50,000	29,90,000	2,25,000	2,79,000	2,49,000	247,000	307,100	274,100
TOTAL - - -	36,45,000	54,50,000	45,90,000	3,04,000	4,54,000	3,83,000	334,100	499,600	420,700
SUBSIDISED RAILWAYS.									
RECEIPTS.									
Capital received in India :									
Nilgiri Railway - - - - -	16,00,000	8,50,000	10,00,000	-	-	-	160,000	85,000	100,000
Lucknow-Bareilly - - - - -	-	-	-	-	-	-	-	-	-
Gain on Remittances to India :									
Southern Mahratta - - - - -	-	-	-	1,33,000	85,000	3,24,000	-13,300	-8,500	-32,400
Mysore - - - - -	-	-	-	-	-	-	-	-	-
Assam-Bengal - - - - -	-	-	-	-	1,34,000	3,60,000	-	-13,400	-36,000
Indian Midland - - - - -	-	-	-	1,50,000	1,10,000	2,93,000	-15,000	-11,000	-23,300
Bengal Central - - - - -	-	-	-	-	2,000	3,000	-	-200	-300
Bengal-Nagpur - - - - -	-	-	-	3,19,000	2,19,000	1,61,000	-31,900	-21,900	-16,100
Lucknow-Bareilly - - - - -	-	-	-	15,000	-	-	-1,500	-	-
TOTAL - - -	16,00,000	8,50,000	10,00,000	6,17,000	5,50,000	10,81,000	98,300	30,000	-8,100
WITHDRAWALS.									
Southern Mahratta - - - - -	2,28,000	5,02,000	-4,79,000	38,000	84,000	-80,000	19,000	41,800	-39,900
Mysore - - - - -	6,55,000	-8,00,000	6,79,000	1,64,000	-2,00,000	1,72,000	49,100	-60,000	50,700
Assam-Bengal - - - - -	50,00,000	28,00,000	74,50,000	16,67,000	8,71,000	23,18,000	333,300	192,900	513,200
Indian Midland - - - - -	9,47,000	3,75,000	6,23,000	1,89,000	75,000	1,25,000	75,800	30,000	49,800
Bengal Central - - - - -	1,00,000	1,01,000	1,24,000	29,000	25,000	35,000	7,100	7,600	8,900
Bengal-Nagpur - - - - -	24,00,000	24,50,000	13,55,000	5,54,000	5,65,000	3,13,000	184,600	188,500	104,200
Lucknow-Bareilly - - - - -	1,50,000	2,30,000	1,81,000	30,000	86,000	68,000	12,000	14,400	11,300
Nilgiri - - - - -	16,00,000	8,50,000	10,00,000	-	-	-	160,000	85,000	100,000
TOTAL - - -	1,10,80,000	65,08,000	1,09,33,000	26,71,000	15,06,000	29,51,000	840,900	500,200	798,200
Net Withdrawals - - - - -	94,80,000	56,58,000	99,33,000	20,54,000	9,56,000	18,70,000	742,600	470,200	806,300
GUARANTEED AND SUBSIDISED RAILWAYS.									
Net Withdrawals - - - - -	58,35,000	2,08,000	53,43,000	17,50,000	5,02,000	14,87,000	408,500	-29,400	385,600

ABSTRACT of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the Provisions of the Acts of Parliament 24 and 25 Vic., Cap. 67, and 55 and 56 Vic., Cap. 14.

The Council met at Government House on Thursday, the 30th March 1893.

PRESENT :

His Excellency the Viceroy and Governor General of India, G.C.M.G.,
G.M.S.I., G.M.I.E., presiding.
His Honour the Lieutenant-Governor of Bengal, K.C.S.I.
The Honourable Sir P. P. Hutchins, K.C.S.I.
The Honourable Sir D. M. Barbour, K.C.S.I.
The Honourable Sir A. E. Miller, K.T., Q.C.
The Honourable Lieutenant-General H. Brackenbury, C.B., R.A.
The Honourable Sir C. B. Pritchard, K.C.I.E., C.S.I.
The Honourable J. L. Mackay, C.I.E.
The Honourable Dr. Rashbehary Ghose.
The Honourable Palli Chentsal Rao Pantulu, C.I.E.
The Honourable Sir G. H. P. Evans, K.C.I.E.
The Honourable Fazulbhai Vishram.
The Honourable C. C. Stevens.
The Honourable J. Buckingham, C.I.E.
The Honourable A. S. Lethbridge, M.D., C.S.I.
The Honourable J. Woodburn, C.S.I.

DISCUSSION OF THE FINANCIAL STATEMENT.

The Honourable Dr. *Lethbridge* said :—" My Lord, my honourable friend Sir David Barbour in his speech on the Budget last Thursday referred to the increase in expenditure caused by the fall in the rate of exchange, and said—

" ' The heavy fall in the rate of exchange has most seriously affected the position of Government servants not domiciled in India ; their case cannot be put on one side much longer ; and, as matters now stand, no remedy is possible which does not involve further increase of expenditure.'

" With your Excellency's kind permisison, the representatives of the services in Calcutta had an opportunity given them of laying before Your Lordship the extreme hardship that the fall in the gold value of the rupee was causing. Your Excellency's sympathetic reply, and the knowledge that the Government of India was not indifferent to the sufferings of its European servants, and was fully aware of the dangers likely to arise from this state of affairs, has had a reassuring effect on the services.

" Within the last few days His Excellency the Governor of Madras has received a similar deputation in that Presidency, and has echoed the kindly sentiments to which Your Lordship has given expression in Calcutta.

" I would not have troubled the Council with any remarks on this important subject, if I did not feel that, from the position which I have for some years occupied in Bengal, and from my present position under the Government of India, I have had exceptional opportunities for observing the extent of the distress that now prevails among the European servants of Your Excellency's Government in the more remote districts of the mufassal. It is on behalf of the officers working on small salaries in the mufassal stations, often completely isolated from their countrymen and cut off from all chance of receiving sympathetic advice and assistance, that I ask the Council's indulgence for taking up its time in again referring to this subject. As an officer ordinarily residing at the head-quarters of the Government, I have, as might be expected, been the recipient of much information on this subject. It is natural that these

mufassal officers should take advantage of such an opportunity for discussing their hopes and fears and the misery of their position under the present circumstances. It has often been said, and with perfect justice, that the European officers working in immediate contact with the people are the backbone of the service. On their high moral tone and the faithful discharge of their duties, often under most trying circumstances, depends the well-being of this great Empire. I have no hesitation in saying that the strain which is felt throughout the services at the present time is felt with the greatest intensity by these European servants of Your Excellency's Government. I look upon a disheartened service as a positive danger to the country, and I conceive it to be the duty of every man, even at the risk of being accused of acting from interested motives, to lose no opportunity in enlightening public opinion where such grave issues are concerned.

"I have been told on good authority that it would take more than a crore of rupees annually to compensate the services to any appreciable extent for the losses they are now incurring by the depreciation of the rupee. If this is the case, it only shows the magnitude of the burden which the European servants of Your Excellency's Government have borne, and are still called upon to bear. My Lord, if the expenditure of a crore of rupees is necessary to maintain the services in a high state of efficiency and integrity, it is my honest opinion that the country should, quite apart from considerations of justice and sentiment, and as a purely business matter, unhesitatingly pay this price, and take steps to obtain the necessary funds."

The Honourable Mr. *Stevens* said:—"As my honourable friend Dr. Lethbridge has said, on the 31st January last an important deputation, representing a very large number of European officers employed in India in different departments of the Government service, was permitted to explain to Your Excellency the distressing and disheartening effect of the downward progress of exchange on their financial condition. Your Excellency listened with the most careful attention to the sad story which, in various forms, was told by members of the deputation; and the gracious reply which was accorded proved to the infinite satisfaction of all, that the hard conditions under which the services had been labouring had long been appreciated, and that Your Excellency had been no less anxious than they that some alleviation of their undeserved misfortunes should be found.

"Your Excellency informed the deputation that in June last year the Government had directed the attention of the Secretary of State to the distress caused to European officers by the fall in the sterling value of the rupee, and had pointed out that, if the present conditions continued, it would, in the opinion of the Government of India, be inevitably necessary to take steps for the purpose of mitigating the sufferings of its officers. The deputation was further told that in September last the Secretary of State was again addressed, and a strong opinion expressed that, unless a substantial rise in the gold value of the rupee should occur, it would be necessary to propose some measure of relief.

"At the same time it was said that it was not possible then to take this course. It was conceived that the enquiries proceeding in Europe might have results which would render relief unnecessary. A temporary measure would be inconvenient, because it would raise most difficult issues, and require the most delicate adjustment—because it would be costly, and would disturb the whole of the financial arrangements of the year, and perhaps involve the imposition of additional taxation. All hopes of a solution of the currency problem by international agreement have been now dissipated; and the financial arrangements of the coming year are under consideration.

"My Lord, the servants of the Government in India place the firmest reliance on the comforting words which were given them in answer to their complaints; they are certain that whatever remedy may be regarded by Your Excellency's Government as possible and reasonable will be applied to their case.

"In the Budget Statement which was communicated to the Council last Thursday by my honourable friend Sir David Barbour, the subject was not forgotten; it was again admitted that the heavy fall in the rate of exchange has most seriously affected the position of Government servants not domiciled in India, and that their case cannot be put on one side much longer. In the Estimates themselves, however, it does not appear that any provision has been made

made for meeting expenditure on this ground. I am given to understand that this fact has caused serious disappointment and apprehension.

“It is impossible for any one, even while regarding his own personal interests, to overlook the gravity of the difficulties which now press upon the Finance Member, and I believe that those who have borne their troubles (to use Your Excellency’s gracious words) ‘with dignity and patience’ in the past, would not now, though those troubles are becoming more and more grievous, desire to embarrass Government by asking for a definite assurance. I shall ask for none; but I venture to hope that the absence of any provision in the Budget does not necessarily imply that the consideration of remedies for the distress which has been so amply acknowledged is abandoned even for the immediate future.”

The Honourable Mr. *Fazulbhai Vishram* said:—“In the first place, I venture to suggest that all figures representing the Budget Estimates may be given in units instead of tens of rupees, as a good many people in going over the Financial Statement are apt to mistake the latter for the former, and hence a sum of, say, ten lakhs is taken for one lakh. If it be inconvenient to adopt the suggestion, the objection might, perhaps, be met by stating at the commencement of the Financial Statement that the Budget Estimates are given in tens of rupees, but the former course will doubtless prove to be the most intelligible one.

“The next remark I have to make is with regard to the cash balance of over 15 crores of rupees with which Government expect to open the coming year. Now, is it not possible to arrange for the investment of a considerable portion of this great sum at some rate of interest? I presume, as it stands at present, it is deposited with the various Presidency Banks in current accounts carrying no interest whatever. Supposing it remains at an average of 10 crores throughout the year, and it could be arranged to earn at least 2 per cent. interest on it, it can be made to yield 20 lakhs. Bankers and merchants can, of course, make more than double out of it. Even Government can obtain a result of 40 lakhs by investing that portion of the cash balance in their own paper carrying interest at 4 per cent. per annum. It would be proportionately less if the balance be smaller. I see from the Statement that Government have been able in the current year to meet the increase in the pay of the British troops partially by having invested in Government securities a larger amount of the paper currency reserve. Perhaps the same might be done with regard to, at any rate, a portion of the cash balance.

“The Honourable Sir David Barbour puts down the increase in the cost of army services in India (excluding pay of British troops) at 44,68,000 rupees. If this also be wholly or partly due to the fall in exchange, is it not practicable or possible to fix some rate of exchange for these services, as is the case with some services paid for in England? Otherwise, as the matter stands at present, the rupee pay of the civil services goes on decreasing in its gold value, and the sterling pay of the army goes on increasing in its silver value as the exchange falls!

“Then, with regard to the probable loan of 300 lakhs to be raised in India, the public, I think, would like to be informed of its duration, and the rate of interest it will carry. Government will doubtless consider the advisability of issuing it, if at all, at a most favourable time of the year, and at the rate of $3\frac{1}{2}$ per cent. interest. This should also apply to the loan of 1,300,000*l.* to be raised by the Secretary of State, and, if both of these loans, aggregating as they do over 5 crores of rupees, are raised—as no doubt they can be with the high credit of Government—at $3\frac{1}{2}$ per cent. instead of $4\frac{1}{2}$, the difference per year would be $2\frac{1}{2}$ lakhs.

“These are all the observations I have to offer on the Financial Statement, which is a most able as well as interesting document in every way.”

The Honourable Sir *Griffith Evans* said:—“The Budget which has just been presented to us is, at first sight, an exceedingly gloomy one; but, when one comes to look closer into it, notwithstanding the very grave apprehension there is as to the future of exchange, there are, as has been remarked by my honourable friend, Sir David Barbour, some very hopeful features in it, notably the growth of the general revenues. As regards the question of exchange, there are gentlemen in this room better able to deal with the question than I am, and

I will say no more about it, except that it is to be hoped that some remedy will be found to introduce stability into our finances, and to prevent their being the sport of parties in America, as at present. It is a very lamentable thing to be in this position that, owing to the uncertainty of exchange, it is impossible for the Government of India to take any steps to meet the deficit which appears in this Budget. That it is so there is no doubt; and the arguments of the Finance Member are perfectly unanswerable as regards the position which he has taken up.

“When one comes to look at these figures, there is one comforting matter about them, and that is this: The present deficit is produced, to the full extent, by inserting in the accounts what is called the Famine Insurance. The exact nature of the Famine Insurance was discussed very fully when the Budget was discussed in 1890, and I will, therefore, say nothing more about it than that it was fully explained at that time, and the conclusion arrived at by the Financial Member himself was that in point of fact this item of account was merely a special surplus; that the Government had found that, owing to the liability of this country to famine, which liability was estimated at a cost of about Rx. 15,000,000 in ten years, it was desirable to budget for a special surplus every year of one million and a-half, which was called the Famine Grant or Famine Insurance; when they had got this, if they were not obliged to expend it on Famine Relief or some other great emergency, they would spend it upon productive railways, irrigation projects, and other works of that kind, so as to accomplish these objects out of revenue, and so diminish the liability to famine. But, if one has not got a special surplus, of course it is not necessary to spend it, and in this particular instance it is to be observed that the total deficit estimated for in the year now closing is a little over a million. It is Rx. 1,080,000 if I remember rightly. This is worked out by introducing into the Budget Rx. 1,100,000 and odd for Famine Relief, and by expending upon railways out of Revenue Rx. 292,000. In the estimate for 1892-93 the same thing is to be observed. When we come to examine details, we find that that sum is to be expended, or has been expended, in the year now closing, on productive railways and other works. For the year 1893-94 there is a similar sum of over Rx. 1,100,000 put down for this Famine Insurance, and the estimate is that this is to be expended on productive railways and irrigation works, that is, of course, if it is there. That is the way in which the deficit is arrived at. There is also Rx. 75,000 instead of the larger sum of Rx. 292,000, which is to be expended out of Revenue on railways in the coming year of 1893-94. Adding that Rx. 75,000 to the Famine Insurance, it comes roughly to Rx. 1,200,000. Deduct that Rx. 1,200,000 from the deficit, which is roughly for the coming year estimated at Rx. 1,600,000; take that Rx. 1,200,000 from the total deficit, and the real deficit is Rx. 400,000, apart from the special surplus budgeted for.

“This seems to make the Budget very much more rosy than it appears at first sight; but, when you come to look into the Statement, you see that there is very good reason for budgeting for this sum, even if you are not able to spend it in productive works, because the exchange is going down. The exchange has gone down already. I am not sure how much the present drop is, but I think one may say roughly that the present fall in exchange already indicates a further liability of fifty lakhs. Therefore, although taking it at 1s. 2½d., which is the rate taken in this Budget, the actual deficit, apart from the Famine Insurance and the expenditure in productive railways, would only be Rx. 400,000; yet, as a matter of fact, the probable fall in exchange is likely to bring it up at least to a million unless something is done. There is also the liability, as Sir David Barbour has said, that something will have to be done in order to meet the undoubtedly great distress amongst the services owing to the fall in the rupee. If that demand should fall upon us, it is not improbable that the actual deficit which will have to be met will be as large as has been indicated, and possibly much larger.

“The relief, therefore, that at first sight seemed to me to dawn upon one, at the discovery that a great portion of the deficit was caused by this head of account, this special surplus which did not exist, that feeling of relief is dissipated when one looks at these other threatening symptoms which forebode a deficit as great or greater than has been shown.

“So much for general remarks on the nature of the deficit. The next matter which I wish to touch upon is the military expenditure. No one can feel
more

more thoroughly than I do that the maintenance of the army in an efficient state is absolutely vital, that without it no attempts at development will be of the smallest use. All development and all civilisation shatters at once unless there is protection, and protection can only be secured by an adequate defence and an adequate army. But, though this is so, one cannot help feeling that the figures of the present Budget with regard to the growth of military expenditure since 1884-85 indicates a growth which, if possible, ought to be put a stop to, especially now as we seem to approach so dark a time in the history of our finances. The figures in the Budget show that there has been an increase of something like Rx. 4,000,000 since 1884-85; that, eliminating matters connected with exchange, and things of that sort, expenditure since that period has been increasing at the rate of about 46 lakhs a year. The growth since 1890-91 is shown to be about Rx. 1,000,000, and the result is that, whereas in the estimates for the Budget for 1892-93, Rx. 21,000,000 odd was estimated for, yet, when it came to the revised estimate now before us, it comes up to Rx. 23,500,000, and in the Budget for the coming year 1893-94 the Budget amount is 23 millions and a little over. This is, no doubt, a little less than the revised estimate for the last year. This is, as I understand, because there were a considerable number of expeditions in the course of last year not budgeted for, and it is hoped that there will not be any next year, but whether this hope will be fulfilled must remain a matter of uncertainty. Not only is there this very heavy increase in military expenditure, but one finds that this is not the whole of the military expenditure, because one may observe that Rx. 1,100,000 is found under the head of Military Works. Also, as far as I can gather, the military railways came to about 70 lakhs for the present year, that is, somewhat less than what they have been in years past. The whole of these sums would amount to Rx. 25,000,000 or 25 crores.

“ I should have observed besides that there were the special defences. As regards these, it was estimated some years ago that a sum of 5,000,000L., ought to be spent. I am happy to say that after the half million spent this year it appears that there will be only Rx. 490,000 to be spent in future; so we are near the end of that, and I have nothing further to say upon this question. We must assume that the money has been well spent, and that there was a necessity for these defences; we may hope that the necessity will now cease, and that there will be no further requirement for expenditure, under that special head. As regards the main question of military expenditure, it is generally felt that there has been a great improvement in the army within the last few years, that there has been a great deal of money well and wisely spent, and that there has been a great deal to show for it during the time Lord Roberts has been Commander-in-Chief. Notwithstanding that that is so, one cannot help a feeling of alarm that the expenditure is still rising and rising. One knows that with enthusiastic soldiers their desire to get a perfect army will, unless it is kept in check by considerations of ways and means, continually tend to require more and more money, and therefore it is necessary, when times are bad and the revenue is getting short, to desist sometimes from expenditure which, if we were able to afford it, would, perhaps, be beneficial. So, too, with regard to expeditions, we all know that, situated as we are, with a great many parts of our frontier surrounded by wild and savage tribes, expeditions must from time to time be forced upon us. But, on the other hand, it is equally to be remembered that these tribes are most of them wanting in cohesion, split up as they are by tribal jealousies, and a great deal may be done, as has been done in times past, by having strong district officers who are accustomed to deal with these wild and semi-savage tribes, who have gained a personal ascendancy over them; and that with such officers, together with the military outposts that are scattered along the frontiers, it has often been found possible to keep the peace fairly, to restrain these tribes, and to prevent such a state of things arising as to necessitate an expedition. We cannot expect that on the frontier we can have the same absolute security from violence and robbery as in other more civilised parts of the Empire. These district officers are in the position of ‘Lords of the Marches,’ and, when our finances are, as they are now, at a very low ebb, great efforts ought to be made to instruct the Lords of the Marches, so to speak, that they are, so far as they can, to keep the peace, to keep things quiet on their frontier, and not to requisition extra troops if it can possibly be avoided. There is no doubt that, with an army well equipped and

ready for action, there will be constantly a desire on the part of strong officers to get up expeditions, and to give the frontier tribes a lesson which will last. This is all very well, suppose one is able to afford such a luxury. But it is not always that the conduct of the tribes is such as to render it a necessity. I am not in a position to criticise the various expeditions which have been made. I am only giving expression to a feeling which exists among people whose opinion is more valuable than mine, that it is possible to do something to prevent these expeditions. Although we may at any time be driven to them, it is desirable that a strong curb should be put upon the tendency to come down upon these tribes, that that tendency should be restrained, at any rate, while our finances are in their present condition. That this is a difficult task with our extensive and distant frontier, is quite recognised.

“The general gist of my remarks is simply that great efforts should be made to curtail any expenditure on military account which is not absolutely necessary, and to prevent any expeditions which are not absolutely necessary. The reason why I make these remarks particularly, is that I see how very much the Budget Estimates of last year were altered by expeditions, and one cannot help feeling that the same thing may happen again. I observe also that the tendency we have lately exhibited to enlarge our borders and push our advance posts further up is already beginning to be a source of expense in the Budget, for I see that there is a sum of Rs. 78,000 for transport for the Gilgit Force, and it may be the case that we may find Chilas and other places figuring in the next Revised Estimate. All I wish to say is, that at such a time as the present every effort should be made to prevent money from disappearing in these expeditions. Many of them, as a matter of fact, yield no permanent result at all, although it may at first sight appear that they really do. When you coerce or subdue one tribe it generally happens that you have got into the neighbourhood of another tribe, worse than the first, and that there is yet another tribe at the back of that; therefore it is rather like throwing the money away, except in those cases in which action has been forced upon us. I should not have made these remarks, had it not been that, in view of the exceeding difficulty of the time which is before us, all efforts at economy should be made, and that this item of military expenditure, though necessarily very large, is one in which apparently it is most possible that a large saving can be effected in future. At any rate, its tendency to expand can be kept in check.

“The next point upon which I wish to touch is the Home charges. There has been no doubt a good deal of talk about the Home charges as if they were things that could be avoided; that is, of course, an entire fallacy. There is a certain amount of money which must be expended in England. So long as we purchase our stores there, there must be a large amount of expenditure on these stores; and, unless it can be shown that advantage would be derived by getting them in India, the purchase must be made there. The stores must be had, and, whether the money is spent here or there, they have to be got and paid for. Besides there are pensions. When we come to look at the large sum of the Secretary of State's drawings—18,700,000*l.* for the present year—one finds that there is no real abnormal difference in the Home expenditure, but that the difference is made up of casual charges, that is to say, having to repay money and purchase stores for railways, and various other things which really do not in any way indicate an increase of expenditure. There is no real difference, practically speaking, in the expenditure in England, which comes to something like 15 or 16 millions, and the rest of the 18,700,000*l.* is only inconvenient inasmuch as that so large a drawing will tend to depress the exchange, but it does not indicate any increase of expenditure on the part of the Government.

“Out of the 15 or 16 millions spent at Home, one notes certain charges which are tolerably fixed. There is about 5,600,000*l.* for Railways, 2,600,000*l.* for interest on debt, 4,500,000*l.* for the Army, 1,700,000*l.* for pensions, making altogether about 14,000,000*l.* The rest is made up of smaller sums which are more or less irreducible. I, therefore, do not see any likelihood of securing any large reduction of the Home charges, but there may be many points in which we may save to a certain extent, and one or two of those I will now indicate. First of all, I would observe that there is a tendency on the part of the various departments in England to shove everything they can on India. The safeguard is supposed to be the Secretary of State. As stated recently in
a debate

a debate in another place, the Secretary of State is supposed to be the guardian of the finances of India ; but, so far as I have been able to see from the way things go, and if report speaks true, the Government of India have constantly to fight the Secretary of State over the finances of the country. Whether that is the case still, I am not able to say ; it may or may not be the case ; but certainly it was so in former days, and it is said to be still going on. Unfortunately, however, the Government of India have no power to get their remonstrances attended to, and, although they may have in some cases succeeded, as far as I can gather; most of their remonstrances were pigeon-holed. Besides they are not made public unless they should chance to be called for by Parliament. It is much to be regretted that there is not some way by which, when charges are sought to be placed on India, the Indian public can be informed of them before they become irrevocable. As it is now, we do not get the accounts of the Secretary of State until they are presented to Parliament in May, and the last one, as far as I know, that is accessible is the statement of accounts which was printed by order of the House of Commons on the 13th May, 1892. This contains the accounts of 1891-92, and the estimates for 1892-93; but, if there were some means by which the Financial Member could inform the Council in the Budgets in future of any charge which had been ordered or proposed by the India Office to be placed on the finances of India, it might be that, although this Council has not the power to do anything except grumble—I mean the legislative portion of it—it might, I say, be that their representations would strengthen the hands of the Government of India in that fight which it has often, so far as I understand, in former times had to carry on in defence of the finances of this country.

“There are two things which have struck me in this account of May, 1892. I find that there is a sum of 7,000*l.* put down for the Persian Consulate, a Mission to the Court of Persia. At first it was 10,000*l.*, and was afterwards reduced to 7,000*l.* I understand that we do contribute to or keep up an Agency at Meshed ; but, if we are called upon to contribute towards the main Mission at Teheran, it is difficult to say where one is to stop, and why one should not do the same with regard to Turkey or any other Asiatic Power. The next item is with regard to Her Majesty's establishments in China, for which a sum of 15,000*l.* is set down ; this was ultimately reduced to 12,000*l.* The note of the Auditor is that an agreement has been come to for ten years. At first I thought that Her Majesty's establishment at China really might mean nothing more than that we were contributing on account of this Chinese Mission, which is going on now, and which is concerned with the Indo-Thibetan frontier dispute, and which, of course, is a very legitimate object ; but, when I find that it is agreed upon for ten years from the 1st of April 1890, one sees that it cannot be that, and what it can be or why we should pay for it I fail to understand. The 12,000*l.* for Her Majesty's establishment at China does not seem to be a charge which ought to be borne by the revenues of India. However, I merely suggest this, that the people who pay the money, if they were entitled yearly to have such expenditure placed before them, and to make their remarks and criticisms upon the expenditure, ought to have these matters laid before them in time to offer their criticisms and remarks before the expenditure becomes irrevocable. Of course, the object of discussion here is that whatever we say may not only be a relief to our own feelings, but may attract some attention from the people who have to decide these matters.

“The next thing I have to observe is that the India Office expenses, when one comes to look at them, appear to be on a somewhat lavish scale. The total expenditure upon salaries, wages, and allowances, amount to 151,000*l.* One sees that if you take the whole of the expenses they come to over 191,000*l.* The total increase in the last year is put down at 3,147*l.* When you come to look at that you find that there has been an increase of 5,000*l.*, and a decrease of 2,800*l.* ; but, when you come to see where the decrease and increase are made, you find that the increase is in the permanent charges, and that the decrease was in the occasional charges. The decrease has been in the postage of despatches to and from India. In the accounts of 1891-92 there is 4,000*l.* under this head. In the estimate for 1892-93 there is only 1,200*l.* Whether the Secretary of State will be able to reduce either the bulk or the cost of his despatches to this extent, we must wait and see. If you take that out, there

has been an increase to the permanent charges of over 5,000*l.* There is a tendency generally, on the part of this establishment, to increase; but, when one comes to look into the establishment itself, one is struck by a number of small things indicating very clearly that there is no strong hand there to curb or keep down expenditure. I will instance a few to the Council. I will not say anything about the salaries of the Secretary of State and the Members of the India Council. They only come to 25,000*l.* a year, and are not excessive; but, after paying this, we come to the Correspondence Department, which costs 32,000*l.*, and we find six Secretaries on 1,200*l.*, and six assistant Secretaries on from 800*l.* to 1,000 a year. Then I find this item: Special Assistant and Visitor to the Indian Museum at 800*l.* a year. I am at a loss to understand the nature of this gentleman's duties, but I find that he requires, or did require, for the performance of them a clerk at 400*l.* a year. But that is not enough. The Visitor is apparently short of technical knowledge, and so he has a special technical assistant at 350*l.* a year. Then we come to the general clerks in the Correspondence Department, and we find 11 senior clerks; then we find six redundant senior clerks. Now, I have no idea what a redundant clerk may mean, but the term certainly suggests something in the nature of a luxury. Then I find a number of junior clerks and a large number of other assistant clerks, so that there are altogether 49 persons engaged in this Correspondence Department of the India Office. Then you find that they apparently all receive personal allowances of one kind or another, in addition to what seem good salaries. Some of the allowances are very extraordinary. You find that some of these clerks receive allowances for editing the India List. One receives 70*l.* a year; another 50*l.* for the same thing; another a similar allowance, and who edits the India List I really cannot make out. Then I find that another official is a second class clerk of the third grade, and he is not only one of the persons who receives an allowance for editing the India List, but he also receives 50*l.* for the preparation of a Sanitary Blue Book. Then in the Registration and Record Department there is another clerk, one also of the second grade, attached to the Record Department, who also receives 50*l.* for editing the same India List. This peculiarity of always receiving extra remuneration for doing anything becomes more marked, I observe, as we go down the List. Then I come to another class of persons, the office-keepers and messengers, and it appears that 6,230*l.* are spent upon this class of officials. We find that these messengers are of the first and second class, and receive the following allowances, which are instructive, besides their salaries of 100*l.* a year; three receive 30*l.* each for attendance on the Secretary of State. I apprehend that there would be considerable astonishment if any of the chuprassis here were to demand extra pay for attending, for instance, upon the Viceroy or upon any of the Members of Council. One would think that that was all in the day's work. Then there are a number of other similar allowances; amongst which I find that one receives 30*l.* for despatching and posting letters, as if this could not be done without extra pay. Another receives an allowance for superintending the delivery of coals.

"But I will not weary the Council by going into any more details; but I do say that the perusal of this report seems to indicate to a certain extent that, if there were something in the nature of a Finance Commission with a view to retrenchment in these matters, the results, if not very large, would at any rate be considerable. One has a general impression, on perusing these papers, that the employés in question are very lightly worked, and that they seem to be always wanting extra pay for anything additional that they do. I observe also that the Store Department costs 40,000*l.* a year, and whether the Store Department is worth that expenditure I am not able to form an opinion. All that I can ask for is that the money applied to these various purposes should be judiciously spent, and should not be wasted.

"There is only one thing more I desire to say. In 1890, when the Budget was last discussed, I made some observations with regard to the taxation of justice, and I then suggested that there ought to be some alteration in the taxation of justice, because Bengal, upon the figures then available, paid 14 lakhs more than was required to cover the whole of the cost of justice in Bengal, and that those 14 lakhs went into the general revenues. I therefore suggested that the taxation should be reduced, or that the money should be spent

spent upon the improvement of the administration of justice. I do not propose to repeat that suggestion now in the face of a deficit; but, in going into the question on that occasion, I pointed out the very grave complaints made with regard to the insufficient number of Munsiffs and the want of accommodation as regards cutcherries, and so on, and suggested that, although that was the part of the Provincial Government to provide, yet that the Provincial Government could not provide it without money, and that the Imperial Exchequer ought to allow them funds for these things out of the excess taxation of justice. At that time the answer of the Honourable Sir Philip Hutchins was that, as a matter of fact, considerable changes were being made and reports were coming in, that the matter was being consulted upon between the Home Department and the High Court, and that there would be a considerable amount of alteration for the better. I have reason to believe that there has been considerable alteration for the better, but at that time the matter was still in progress, and the settlement of the complaints put forward by the High Court had not been finally dealt with. I believe that they have been finally dealt with since, but I am not in a position to know the result. If the honourable Member or the Lieutenant-Governor could inform me of what was the end of them, I should be glad, although I do not know that I have any actual right to ask the question.

“These, My Lord, are the observations I have to make, and I wish to add that I am entirely sensible that as regards the Indian administration of the finances of India there has been throughout an earnest endeavour to administer them for the real benefit of India. My criticism is made in no hostile spirit, and with no suggestion that there has been any other than an undivided endeavour to administer the revenue for the best interests of the country; it has been made with regard to various matters in which there seemed to be a possibility either of retrenchment or improvement.”

The Honourable Mr. *Chentsal Rao* said:—“I have only a very few remarks to make in connection with the Budget.

“Although in the present unsettled condition of our finances it is not proper that I should say anything which may have the appearance of suggesting a diminution, however slight, of the resources of the Government of India, still there are one or two points which on principle seem to require early consideration, and I venture to notice them now, as I may not have another opportunity of doing so, and as I hope that the Government of India may be able to give consideration to my suggestions as soon as the question of exchange is settled, which I hope it will be ere long.

“I observe that, during the last five years ending 1891-92, for which

—	Receipts.	Expenditure.	Surplus.
	Rs.	Rs.	Rs.
1887-88 - - -	31,12,530	18,72,000	12,40,530
1888-89 - - -	33,17,120	19,36,810	13,80,310
1889-90 - - -	35,37,920	19,32,370	16,05,550
1890-91 - - -	36,54,490	19,67,310	16,87,180
1891-92 - - -	39,98,020	20,75,630	19,19,390
AVERAGE - - -	Ra.		15,66,592

accounts are available, the Registration Department has yielded an annual average surplus of 1½ millions of rupees, which is divided equally between Imperial and Provincial. As the object of the Registration Department is not revenue, it seems to me that the appropriation of the receipts of the Department for general purposes is questionable. I do

not, however, think that the registration fees need be reduced as they are sufficiently light, but more registration offices may with advantage be created, so that people may not have long distances to travel to get their documents registered. The present charges of registration officers are extensive, at any rate they are so in Madras, and the creation of more offices will be highly appreciated. The Registration Department is, indeed, a great check upon forgeries, and it is so popular and so much appreciated that in my humble opinion the registration of all documents relating to real property may be made compulsory; such a measure will have the additional advantage of checking the large mass of litigation arising out of questions of priority between registered and unregistered documents affecting the same real property.

	Rs.	
1878-79 - - - - -	31,35,470	
1879-80 - - - - -	10,40,590	
1880-81 - - - - -	3,48,400	
1881-82 - - - - -	3,48,830	
1882-83 - - - - -	2,21,030	
1883-84 - - - - -	92,050	
1884-85 - - - - -	73,500	
1885-86 - - - - -	4,06,950	
1886-87 - - - - -	10,410	
1887-88 - - - - -	4,020	
1888-89 - - - - -	77,990	
1889-90 - - - - -	6,82,880	
1890-91 - - - - -	55,790	
1891-92 - - - - -	2,34,230	
1892-93 - - - - -	7,68,000	
Total - - - - -	75,00,140	
Average - - - - -	5,00,009	
Add interest charge on Midland and Bengal-Nagpur Railway as per Budget of 1893-94 - - - - -	34,02,676	
TOTAL - - - - -	Rs. 39,02,685	

I do not know how this sum came to be determined upon, but I observe that, ever since the Famine Fund has been started, the cost has in no year exceeded 31 lakhs, and the average cost, including the interest charged of 34 lakhs on the Indian Midland and the Bengal-Nagpur Railway debited to the Famine Insurance Fund, is only Rs. 39,00,000 a year. I think the country has now, by the construction of protective works—railways and irrigation—been sufficiently insured against the recurrence of famine in anything like the degree of intensity of the famines on which the average annual cost was assessed at a crore and a-half, and that the allotment may now therefore well be revised. It seems to me that, making every allowance for increased charges in future, a provision of 75 lakhs of rupees for Famine Insurance is enough, and the remaining 75 lakhs may be appropriated for general purposes with a corresponding remission of questionable taxes. The export duty on rice is virtually a tax on the agriculturists, who already pay a heavy assessment on the lands which yield the produce. It is a questionable tax, and may well be abolished. The average net revenue from the duty in the last five years has been just 76 lakhs, only one lakh more than the sum which can be spared from the Famine Insurance Fund. I say it is a tax on the producers, because India is not the only country which exports rice, and it is also very unequal in its incidence, as the duty is collected on quantity instead of on value, though the prices of different qualities of rice vary very largely. It may be said that there will not be enough of money for protective works if the Famine grant is reduced to 75 lakhs, but I think that these must be undertaken from borrowed capital, as they benefit not only the present but also the future generation. Interest on the capital so spent seems to me to be the only legitimate charge upon the Famine Insurance Fund.

"I observe that the charges under Stamps, Assessed Taxes, and Excise, though not very heavy in the aggregate, vary largely in the several provinces, as shown below, the figures being those taken from the Budget for 1892-93. The Police charges, which are almost entirely Provincial, and on which, perhaps, I may not be at liberty to say anything here, also vary very largely. For instance, Bombay with a population of 21½ millions costs 57 lakhs, while Bengal, with 71 millions or nearly 3½ times of the Bombay population, costs only 58 lakhs. I do not allude to these variations because I know for certain that any avoidable expenditure is incurred anywhere. The variations are probably due to local peculiarities, but I thought an explanation of the causes would remove misconceptions on the subject.

PERCENTAGE of Charges to Receipts.

	Excise.	Stamps.	Assessed Taxes.
Central Provinces - - - - -	1·6	2·6	·2
Burma - - - - -	1·4	2·9	3·5
Assam - - - - -	·3	4·4	·9
Bengal - - - - -	6·2	3·8	4·4
North-Western Provinces - - - - -	2·8	2·1	·8
Punjab - - - - -	2·9	4·6	1
Madras - - - - -	5·4	3·8	·9
Bombay - - - - -	3·6	4·2	1·4

" I observe

"I observe that under superannuation allowances the charge in 1892-93 and 1893-94, exclusive of the cost on account of exchange, is about 24 or 21 lakhs above the average cost of the previous four years. Although this is an item under which any retrenchment is impossible, still, as it is an item which should vary within narrow limits, I shall be glad to know the cause for the increase. There is also a similar increase under Fur-

	Total Cost.	Deduct Exchange.	Remainder.
	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>
1888-89 - - -	3,11,48,290	75,01,290	2,36,46,940
1889-90 - - -	3,14,03,610	72,93,860	2,41,09,750
1890-91 - - -	3,05,15,410	54,81,030	2,50,34,380
1891-92 - - -	3,32,41,090	74,95,570	2,57,45,520
	Average - - -		2,46,31,647
1892-93 - - -	3,80,15,000	1,09,81,000	2,70,34,000
1893-94 - - -	3,78,93,000	1,11,80,000	2,67,13,000

lough Allowances, but it is not large.

"I am unable to find out what sum has been provided in the Budget for advances under the Land Improvement Loans Act, but, considering the large reduction in the cash balances at the end of 1893-94, I feel unable to suggest any increased provision under the general head 'Advances,' in 1893-94; but I must say that the advances made under the Land Improvement Loans Act in the several provinces during the last five years appear to me to be too small when the needs of the country and the amount of surplus revenue obtained during the last 12 years are considered, and I hope that the Government of India may be able to see their way to increase the provision. In India there is nothing so well calculated to mitigate the effects of ordinary droughts as the excavation of wells and the use of subsoil water. The present obstacles to the utilisation of the Act are—

- (1) the ignorance of the raiyats even of the existence of the Act;
- (2) the dilatory procedure adopted in granting the loans;
- (3) the rigidity with which repayment is enforced.

"The last is the chief obstacle. The Government of Madras have made excellent rules for the repayment of loans by very small annual instalments, and they are working well; but I submit for the consideration of the Government of India whether, in cases where the raiyats prefer it, the time for the repayment of the loan cannot altogether be left to their option, the payment of interest alone along with the assessment being made compulsory, at least in the case of money advanced for wells. Formerly, lands under wells paid as much as seven and ten rupees per acre, even where the wells were excavated at the expense of the raiyats. But now, owing to the liberal policy of Government, they pay only the assessment which the land bore before the well was excavated, *i.e.*, one or two rupees an acre; and, if money be advanced to them at 4 per cent. to enable them to excavate wells, they would be glad to pay an addition of three or four rupees an acre more. Ordinarily in Madras a well excavated at a cost of, say, Rs. 300 can irrigate three or four acres, and its interest comes only to three or four rupees an acre. This can with perfect ease be always realised, and, when this could be done, I do not see why the time of repayment should not be left to the option of the raiyat. As regards the ignorance of the raiyats and the delay in obtaining loans, the appointment of a special officer in each province for a year or two to travel and make advances on the spot will remove the obstacle, and this measure is being tried in Mysore with much success."

The Honourable Dr. *Rashbehary Ghose* said:—"Every one must sympathise with the European servants of the Crown in India in their present difficulties, which it is to be hoped are only of a temporary nature. But, while fully acknowledging the magnitude of the burden which the European servants of the Government of India are called upon to bear, we cannot altogether shut our eyes to the state of our Exchequer, or to the magnitude of the burden which would be imposed on the taxpayer by the suggested addition of a crore of rupees to the estimates. It must also be borne in mind that the Government is in the position of a trustee of the public money, and that it cannot in the present critical condition of the finances be fairly called upon to be generous to any class of its servants at the expense of the taxpayer, the *cestui que trust*, so to speak, whose interests have to be carefully watched and protected."

The Honourable Mr. *Mackay* said :—“ My Lord, it is to be regretted that the first Budget Statement submitted to this Council under the rules lately introduced by your Excellency should, by the force of unfortunate circumstances, so far as many points are concerned, be little more than a temporary document. This being so, it would serve no good end to occupy the time of honourable Members by entering upon a discussion of items of projected ways and means, which from the nature of things can be regarded, in a great measure, only as tentative figures.

“ Apart from the question of ways and means, however, the submission of the Budget has been accorded a special and peculiar interest, owing to the eloquent, comprehensive, lucid, and exceedingly impressive speech with which it was introduced, and the situation explained, by the Honourable Sir David Barbour. It was impossible to listen to the honourable Member as he addressed this Council a week ago, without being more than ever convinced that the country has been fortunate, indeed, in having had at her financial helm, during the past five years, a man with the matured judgment, experience, and caution, of the honourable Sir David Barbour, and, I believe, all honourable Members must have felt, as I did when he alluded to the fact that this would be the last statement which he would lay before this Council, that it is an unqualified misfortune that he should be leaving the country so soon, just at this critical juncture, when we are more than ever in need of his guiding hand.

“ The public, as the Honourable Sir David Barbour said, were prepared for the two serious deficits which he announced, but I venture to think they were scarcely prepared to find that the Government would not be in a position to frame its Budget for the coming year in a manner which would meet these deficits and prevent their recurrence.

“ It is a great disappointment to find that 10 months have passed since the proposed change of standard was pressed upon the Government of India and upon the Secretary of State, and that the question still remains unsettled, thereby further impairing the Indian Exchequer and doing nothing to alleviate the anxiety of the public.

“ I gather from the general tenor of the Budget and from the preceding Budgets produced by the honourable Member, that there is now in reality only one permanent and grave cause for anxiety in connection with the Indian finances, that cause being the fall in the gold value of silver. Of the four uncertain factors which have hitherto affected the finances, three may be said to have been practically eliminated. War is still doubtless a contingency which may any day become a certainty; but the effective, though costly, measures for the increase and efficiency of the army, which have been taken since 1885, have to a great extent ensured the country against a calamitous reverse, and it is certain that, if war overtook us, though the strain might for a time be severe, it would be nothing more than temporary in its effects.

“ Against famine we have also now been insured to such an extent, by the spread of railways and canals, that we may fairly dismiss from our minds the apprehension that we shall see anything approaching in intensity, and difficulty of relief, the famines which used to overtake the country down to the year 1878.

“ The third uncertain factor, opium, has now taken what may be called a subsidiary place in the revenue sources of the Empire; the net revenue has fallen since 1881 from nearly 8½ crores to 5 crores—a decline of something like 40 per cent., and it must be recognised that the time is not far distant when the revenue will be still further reduced. Meanwhile, with the decline of the opium revenue, the fluctuations are of less importance in the point of view of the Budget than they were when it formed a very much larger proportion of the total revenue of the State.

“ But, while these three uncertain factors have lost very much of the importance which they once possessed, the advantage which would have resulted to the Indian finances has been more than neutralized by the fourth factor, of loss by exchange, which, small in the beginning, has gradually grown larger, until now it is, as Sir David Barbour says, a dominating factor in the finances of the country.

“ It is manifestly impossible to set our house in order, impossible to produce a Budget which will reasonably approach to accuracy, as long as this disturbing element is allowed to override and swallow up every provision made for the necessities of the State.

“ Sir

“Sir David Barbour still holds the opinion that the best solution of the currency question would be found in an international agreement for the use of both gold and silver as full legal tender, and I think no one will be found to deny that, from an Indian point of view at any rate, this would undoubtedly be the best remedy. But it is vain and futile now to cling to the hope that such an agreement will be made for at least a generation to come, and I gather it is the opinion of Sir David Barbour that it would be unwise to further defer action for the regulation of our currency system till such time as bimetallism will solve the problem.

“The recent Conference at Brussels showed that several nations were opposed unconditionally to the restoration of silver to its ancient position of full legal tender, and that others who were inclined to the restoration of silver absolutely refused to move unless Great Britain gave the lead and went the whole way with them. Early this month the discussion and division in the House of Commons proved that Great Britain would do nothing of the kind, and we have therefore before us three facts: first, that several nations will under no circumstances join the agreement at all; second, that other nations will do so only on condition of Great Britain adhering in full to the agreement; third, that Great Britain positively declines to join in any agreement whatever which would be acceptable to the other nations. Under these circumstances we must regard the question of international agreement as altogether outside the sphere of practical politics, and must make up our minds to do as all other civilised nations have done, that is, take independent action. Let us look, my Lord, at the position into which we have drifted solely owing to our silver standard. We are obliged to curtail expenditure on useful public works. We are literally starving the servants of the Government, and thereby impairing the efficiency of the administration; and we are casting about for new sources of revenue at a time when we ought rather to be engaged in discussing the repeal of unnecessary taxation. The country has now been free from any great calamity for the past 12 or 13 years, the revenue continues to increase, and yet expenditure increases in a far greater ratio, and we are unable to make both ends meet, simply because we choose to retain as a standard of value a metal which has now been discarded as a standard by practically the whole civilised world.

“I remember a few months ago it was argued, in reply to the suggestion that India should change her standard, that Russia was a factor, and that she would benefit in her competition with Indian wheat if India changed to gold. Within the last few days, however, Russia herself has closed her mints to the free coinage of silver, and has placed the rouble on a gold basis. And, speaking of wheat export, it may be within the recollection of honourable Members that considerable stress was laid upon the supposed advantage which India gained through her silver standard in selling her wheat in the markets of Europe. I freely admit that at first sight the condition of things twelve months ago was calculated to give the impression that the low rate of exchange which ruled in 1891 must have had something to do with the unprecedented export of 1,500,000 tons of wheat which marked that year. In the year just ended, however, we have had lower exchange, lower freights, and probably as much wheat available for export as in 1891, and our shipments have fallen off by almost one-half. The theory that low exchange stimulates exports has, I believe, now been generally abandoned, and a study of the wheat export statistics, combined with ruling rates of exchange for a number of years past, including 1892, will, I believe, have the effect of finally discrediting the mischievous theory.

“It has been urged that the proper course for India is to remain a silver country, and to go on re-adjusting her fiscal system till silver finds its natural level. But, my Lord, there would seem to be no natural level for silver: In 1891 we had an outturn of 144,463,000 ounces, while in 1892, with a much lower price than that which ruled the previous year, we have had an output of 152,119,000 ounces. Those who told us a year ago that the low price then prevailing would speedily curtail production are now forced to admit, as even the “Economist” does, in its issue of 4th March received by yesterday’s mail, that the fall in price has had the effect of stimulating production.

“The only mints in the world now open to the free coinage of silver are those of Mexico and India. As regards Mexico, the silver coined there is the product of the country, and the coining is practically the stamping of a trade-mark on pieces of silver to admit of their exportation to China and Eastern Asia. We,

on the other hand, allow every producer of silver in the world to throw his production into this country, and we coin it into rupees with which we are obliged to meet our gold obligations, though the rupees are every day declining in their gold value. We refuse to receive gold at our mints, and we hesitate to adopt a gold standard—a position which is as illogical as it is untenable, and I sincerely trust that it may soon be terminated.

“Sir David Barbour says that at this juncture the proper course is to await the decision of the Home authorities on the currency question, before adopting measures which must necessarily be of a stringent and exceptional nature with the object of re-establishing an equilibrium between revenue and expenditure, requiring the imposition of heavy taxation or a large reduction of expenditure, or even both, and he hopes that the Indian public will acknowledge the difficulties of the present position, and will not press for a hasty decision or the inconsiderate adoption of measures which must from the very nature of the case prove to be either inadequate or unnecessary. I feel perfectly sure that the Indian public will fall in with the wishes of the honourable Member, at any rate so far as not to press for the imposition of additional taxation. But I do not feel so confident that the country will be inclined to accept the decision of Lord Herschell’s Committee without demur, should it be against us, and should it involve us in further overwhelming imposts.

“Sir David Barbour, I observe, has confidence in the resources of the country and in the industry of its people, and, while he admits that the task of establishing, securing, and maintaining, the integrity of the financial position of India in the event of our continuing on a silver basis may be a heavy one, he considers it will be our plain and obvious duty to address ourselves as best we may to fulfilling the task. Now, my Lord, I have, like Sir David Barbour, great confidence in the resources of the country and in the industry of the people. I should be perfectly willing to bear my share of burdens imposed in view of real emergency and for the common weal; the emergency, however, which is staring us in the face is not a real one, but is of our own creation, and the crippling of our resources and the grinding of our industry by taxation will not remove the evil. The evil will present itself again with every further decline in the rupee, and the operations of crippling and grinding will have to be repeated indefinitely. I do not think the country will calmly consent to taxation which will be applied to no useful purpose, and which will be as great a loss to the people as if the money extracted from them were taken out to sea in one of my steamers and cast into the Bay of Bengal.

“It would have been interesting if Sir David Barbour could have given us some indication of the resources and industries to which the fresh taxation can be applied—taxation to yield, say, an additional 10 crores of rupees. It seems to me that, if we decide to continue on a silver basis, and England decides to retain us as a dependency, before many years are over one-half of our population will be engaged in the occupation of collecting taxes for the State, while the time and intelligence of the other half will be devoted to devising means to avoid the payment. I believe I shall not be without the mark if I say that those who watch the progress of affairs in India most attentively are fast coming to the conclusion that the depreciation in the value of the Indian currency is beginning to press with serious effect upon the poorer classes of the population, and this is a phase of the question which should not be longer disregarded, but should attract the gravest attention of the Government, not only in this country but in England. If, therefore, it should unfortunately happen that Lord Herschell’s Committee and the Secretary of State are not inclined to permit this country to adopt the much-needed reform of her standard so as to bring herself within the pale of civilisation, I trust that the Government of India will insist on being furnished with the fullest and most cogent reasons for inaction, and that they will not quietly accept the verdict, if it be against their own convictions, but that they will continue to press upon the Secretary of State the fact that this country can never hope to settle down to a period of assured internal peace and financial prosperity, nor can her resources be properly developed, until such time as she has secured a standard of value which is common to that of England.”

The Honourable Lieutenant-General *Brackenbury* said :—“The Honourable Sir Griffith Evans has called attention to our military expenditure in terms of which

which I for one can take no exception. The Government of India should, and does, welcome such friendly criticism of its acts, and I am the more glad that he has made those remarks in Council, because I am thus afforded an opportunity of making a few observations which, I venture to hope, may remove from his mind, and from the minds of others, some of the misapprehensions which now exist as to what is called the constant growth of military expenditure.

“In the first place, I would wish to say that the Government of India are not running blindly on in this matter. We have given the very closest attention to military expenditure; and for many months past our Accountant General has been engaged in the preparation of an analysis of military expenditure for the last 10 years, which we are sending home to the Secretary of State, and in regard to which we have undertaken still further investigation.

“The opinions of my honourable friend and others as to this great growth of military expenditure are based upon the figures contained in the Financial Statement. These, I should like to point out, are gross figures; and gross figures are apt to be somewhat misleading when taken by themselves. In many items of our military expenditure our receipts rise almost exactly in proportion to the outlay which appears in the estimates of gross expenditure on those items. But, without going into any lengthened exposition of figures, I may state that there are more than 71 lakhs of receipts to be set against the gross expenditure shown as to be incurred in India for 1893-94 in the Financial Statement, and I think it will be more convenient if I deal with net figures in connection with what I am about to say.

“Now, I have before me a table prepared in the Financial Department, and vouched for by the signature of my honourable friend Sir David Barbour, which gives the net army expenditure in India for the past 10 years, commencing with the year 1884-85. That year has been chosen because it was the year when the military expenditure touched its lowest figure, after the Afghan War. I find that there was between that year and the following year (1885-86) a leap of more than three crores in the military expenditure. The causes which occasioned that rise in military expenditure between 1884-85 and 1885-86 are familiar to everyone in this Council, and it is scarcely necessary that I should refer to them. Since that date of 1884-85 the army in India has been increased by more than 11,000 British soldiers and 19,000 Native soldiers, and measures have been taken to render the army of India fit to take the field without delay on any emergency that might arise. From 1885-86 military expenditure has been constantly higher than it was before that date. But, since that great leap took place between 1884-85 and 1885-86, I contend that there has been no constant or great rise in military expenditure in India except such as has been brought about by a falling rate in exchange, and I think I can prove this by a very simple statement.

“In 1885-86 the amount of net army expenditure brought into account in India was Rx. 14,361,000. In the year 1893-94 the Budget Estimate is Rx. 14,981,000. The difference between the net military expenditure in India between 1885-86 and 1893-94 is therefore 62 lakhs of rupees, and, of these 62 lakhs, 57½ lakhs are due to the fall in exchange, the actual increase apart from that item of exchange being 4½ lakhs of rupees.

“Exchange in 1885-86 stood at 1s. 7½d., while this year it has been taken at 1s. 2¾d. Every farthing of difference in exchange makes a difference of three lakhs of rupees in the military estimates for the pay of the British soldier. There have been fluctuations between 1885-86 and 1893-94, and those fluctuations, I think it may fairly be said, have been chiefly due to expeditions. It is not for me to say much upon the subject of these expeditions. They are not due to the action of the Member of Council who is at the head of the Military Department; they are due to the action of the Governor General in Council; but I would like to make this one remark. I was reading a few days ago, in the French Official Journal, a debate in the French Chamber on their own colonial policy. A member of the Opposition, attacking the policy in Tonquin, said:—

‘There are two Tonquins, the Tonquin of the plains and the Tonquin of the hills; and my contention is that we should administer the Tonquin of the plains, and let the Tonquin of the hills alone.’

“The answer made to him by the Minister for the Colonies was this. He said:—

‘Tonquin is like one of those luscious tropical fruits of which you cannot enjoy the juice until you have broken the rind.’

“I venture to think that that simile applies forcibly to India. That rind extends from the frontier of Baluchistan to the Burmese frontiers of China and Siam.

“The Honourable Sir Griffith Evans has acknowledged, as has the Honourable Mr. Mackay, the good work done in connection with improvements in the army. I think both these honourable gentlemen were present recently when the Commander in Chief, in his speech at the public dinner given to him in Calcutta, explained and stated how much had been done in recent years for the army in India. He spoke of the reduced death-rate of the British troops, which has come down from 69 to 15 in the 1,000, owing to improved sanitary arrangements; of the reduced amount of drunkenness, and of the crime resulting from it; he spoke of the improved shooting of the British army in India, and of the Indian army, saying, with perfect truth, that the army in India is now absolutely second to none in this respect; and I trust that those who criticise military expenditure will not forget that Lord Roberts, in making that speech, said clearly that it was due to the wise liberality of the Government of India that these great improvements had been made.

“There is one cause, I will not say of increase of expenditure, as of our expenditure not going lower than it is, in which I feel perfectly certain I shall have the sympathy of everyone here, and that is that we have been making great efforts to render India as independent of England as possible. We are now manufacturing in India clothing and boots for the whole army of India, which were formerly made at home; we are making ammunition for the army; we have introduced the manufacture of steel for the projectiles of our heavy guns; and we hope shortly to introduce the manufacture of cordite, the new smokeless powder, for which we are at present dependent on England. I need not say that all this means money spent in India instead of in England, and that it adds to the expenditure shown in the Indian Estimates; but it will undoubtedly, in the near future, cause not only a corresponding, but a greater, decrease in the Home Estimates, because it has been distinctly shown that we can manufacture in this country, bringing the capital afforded by the State to the cheap labour of the East, much more cheaply than the same articles can be manufactured in England.

“In regard to military works, I think it is scarcely necessary for me to say more than a few words; because a fixed sum of a crore is granted every year for such works, the only addition being that when Upper Burma was taken over, and a special addition was made for military works in that country; but that sum is virtually fixed, and I think I may say that it is useless to take any exception to the amount of money spent, because every year the demands upon us for imperial and provincial military works come to six or seven times the grant at our disposal.

“In regard to strategical railways, a subject which was also referred to by the Honourable Sir Griffith Evans, we are now engaged in making two railways which I venture to think are of vital importance to our military position on the north-west frontier; the Murree-Attock line, which will complete our transverse railway communications on the left bank of the Indus, and the Mushkaf-Bolan line to Quetta, which we hope and believe will place our direct communication with Quetta by rail beyond all risk of flood or other accident. When these two railways have been completed, there is not, so far as I am aware, any other strategical line that has been sanctioned by the Government of India; and therefore, unless some fortuitous circumstances occur which we cannot now contemplate, compelling us to change our policy, I do not think it likely that there will be any fresh important expenditure under the head of Strategical Railways.

“As regards special defences, as has been stated by the Honourable Sir Griffith Evans, a special sum has been allocated for the purpose of fortifying India. That sum is now spent, with the exception of about half a million pounds sterling; and when it is all expended this heavy yearly charge also will, I hope and believe, practically cease. It may interest the Council if I read an extract from a Despatch received from the Secretary of State to the Governor
General

General in Council, dated the 9th instant, which was received yesterday. Lord Kimberley writes:—

‘The explanation given in paragraph 4 of the Review of Military and Marine Stores Expenditure for India for 1890-91 seems sufficient to account for the increased expenditure in England during the four years 1887-88 to 1890-91. The supply of the 70,000 magazine rifles demanded has now been completed, and, when the guns for the siege train, heavy field batteries, and north-west frontier defences, and of machine guns for the various services, have also been provided, there appears at present to be no reason why the expenditure should not return to normal.’

“I would point out that we have now nearly completed the frontier defences of India and the defences of our seaports, and have armed them with the latest and most efficient artillery. We have nearly completed the re-armament of our British infantry with magazine rifles, and of the Native army with Martini-Henry rifles, and the entire re-armament of our field artillery with the latest and best weapons; and we have done all this without borrowing, while France, Germany, Austria, Italy, and every European nation, has had to resort to borrowed money for these purposes, and even rich England borrowed money for her fortifications, and even to build new barracks for her troops.

“I would only add this, that we are determined to exercise all possible economy in military expenditure. Steps were taken by me this year, in conjunction with my honourable colleague the Financial Member, to introduce greater order into the military financial arrangements, steps which I trust will, in the near future, result in improved economy. I can assure my honourable friend Sir Griffith Evans that nothing that we do not consider absolutely necessary has been included in the Estimates of this year, and that a sum larger than that by which the Estimates have been increased for items which the Commander in Chief and I would have wished to include in the Estimates was put aside, owing to our willingness to recognise the financial difficulties which made it undesirable to increase the Estimates further; and I may assure him that in our establishments we do everything that we can to keep down expenditure to the very lowest limit, that we have no ‘redundant’ clerks, and that we have no officers drawing special salaries for posting letters.”

The Honourable Sir *Philip Hutchins* said:—“My honourable friend Mr. Chentsal Rao has mentioned three points on which it seems desirable that I should offer a few words of explanation. I am glad to say that his observations on all three have been anticipated by the Departments of which I have the honour to be in charge. Two concern the Home Department; the third that of Revenue and Agriculture.

“And, first, with regard to the surplus under the head of Registration. Very recently the Government of India have been in correspondence with the Secretary of State regarding an increase to the registering establishments in the Madras Presidency, and in the course of it we ourselves distinctly laid down the principle, and Her Majesty’s Secretary of State assented to it, that registration had never been intended to be a source of revenue. That I understand is what my honourable friend contends, so that we are entirely in accord with him, though this is not a time at which we can afford to give up any income which we already possess. The only doubt which the Secretary of State raised was, whether the surplus should not be devoted rather to the increase of facilities for registration or the reduction of fees than to the improvement of the establishments. As to the reduction of fees, I am glad to find that the honourable Member, with his far more intimate knowledge of the real sentiments of the people, has so entirely confirmed my own view, which is that the present fees are not at all regarded as excessive. Whether further facilities are required is being considered by the Local Government. I know it is a point which they have always kept in view, and I was under the impression that they had already done as much in this way as could reasonably be expected.

“Next, my honourable friend drew a comparison between the cost of the police in Bombay and Bengal. This is precisely the ground on which the Government of India lately demurred to a demand made by the Bombay Government for increased expenditure on its police. I wish I had the Local Government’s reply here to read to the Council, for I feel sure that it would satisfy them as it satisfied me. Speaking from recollection, I can say that there

are three main reasons why the cost of the Bombay police is so high in the presidency proper. The first is the vicinity of the Native States, which are included in its boundaries or march along its northern and eastern frontier. The second cause is the number of wild tribes, like the Bhils, which require constant and careful watching. Lastly, the ordinary rates of wages for unskilled labour, and for those classes from which the rank and file of the police are drawn, are greatly in excess of the rates prevailing in Bengal.

“Towards the end of his speech the honourable Member asked that a special officer should travel through each province to offer and distribute advances under the Land Improvement Act. I cannot think this is necessary, though the suggestion will doubtless be considered by Local Governments. During the last year or two the Government of India, in the Revenue and Agricultural Department, has constantly impressed on the district officers their duties in this respect, and commended by name those who have worked the Act with energy and success. I am confident that the people are now well aware almost everywhere that loans can be had for asking, provided security is forthcoming. That this is the case in Madras, to which the honourable Member chiefly referred, is shown by the enormous sums distributed under the Act, as I recently had occasion to inform the Council, during last year's scarcity. On the same occasion I showed that the rules had been greatly simplified, and that the procedure had been made as prompt and summary as is consistent with the security of the taxpayers' money, of which we are merely administrators. At such a time of financial difficulty as the present I can hardly press the Financial Department for a larger allotment of funds for loans.

“I shall leave his Honour the Lieutenant Governor to deal with Sir Griffith Evans's remarks on the Bengal civil courts and the accommodation for them, merely remarking that the matter is one which seems more suited for discussion in the Bengal Council than in that of your Excellency. My recollection is that the full number of justiciaries which the High Court ultimately thought to be necessary were supplied fully two years ago.”

His Honour the *Lieutenant Governor* said:—“As my honourable friend Sir Philip Hutchins has just mentioned, the question of the cost and supply of subordinate civil judicial officers in Bengal is more properly a question belonging to the Provincial Budget, which will be discussed in the Bengal Council on Saturday next; but, as the Honourable Sir Griffith Evans was good enough to give me a warning that he was going to speak upon the subject to-day, I prepared a brief statement of the figures in order to be able to present them to your Excellency's Council. The answer of the Government of India, when the debate took place in March 1890, was that they had not come to a final decision upon the subject, as the matter was still under consideration between the Local Government and the High Court. But in July 1891 they passed final orders on the subject, and these orders are now in force. In 1890, when the subject was first mentioned, 36 temporary munsifs and three temporary subordinate judges had been appointed to meet the difficulty, before it was finally settled what the ultimate additional force should be. It was eventually decided that 55 extra munsifs and four extra subordinate judges should be appointed in Bengal, the total additional cost for these officers and the establishments attached to them being two and three-quarters lakhs of rupees. Besides that, the Government of India obtained from the Secretary of State sanction to the proposal that two supernumerary subordinate judges and six supernumerary munsifs might be appointed from time to time, whenever the Local Government, on the motion of the High Court, should request that additional staff might be created to meet any temporary difficulty.

“With regard to the results which have been achieved, I believe from what I have heard, and especially from the annual report sent in by the High Court, that this addition to the strength of the subordinate judiciary has met sufficiently the demands of the country. I notice that in 1889 these courts disposed of 461,000 cases, and in 1891 they disposed of 485,000, so that we are pretty closely keeping on a level with the growth of institutions; and I believe it may be said that there are at present no demands in any quarter for an addition to the strength of the judicial staff, and no complaint that the persons who are concerned in litigation have not sufficient opportunities of getting their cases punctually and satisfactorily disposed of.

“The

"The question of the accommodation of these Munsifs is one in which I have taken special interest, for I satisfied myself, when I came to make inquiry into the state of things, especially in Eastern Bengal, that many officers, and especially Munsifs, though not Munsifs alone, were housed in a manner which was not at all in conformity with the dignity of the Judicial Bench, and hardly sufficiently well for their own health and comfort. In 1891-92 a lakh and 91,000 rupees were spent on the provision of additional accommodation for Munsifs, and in 1892-93 a lakh and a quarter of rupees have been set aside for this purpose. Although these sums may seem small in comparison with the figures involved in the expenditure of the Military Department, regarding whose moderation and self-restraint we have heard so much to-day, I can assure you that it is with great difficulty that they have been provided for from the finances of Bengal. We have only about ten lakhs which we can devote to original works, and out of this we have to provide for Revenue and Criminal Courts, as well as Civil Courts, for jails, schools, police buildings, hospitals, and a few other smaller departments; and the amount spent on judicial buildings exceeds the amount spent on any other department in the province.

"I should like to take this opportunity of saying a very few words on the subject of registration. The Honourable Mr. Chentsal Rao has asserted—and the Honourable Sir Philip Hutchins has agreed—that it is a standing axiom that registration should not give any net revenue to the Imperial finances. I venture to think that that is an axiom which the Government of India should hesitate to accept. I grant that the fees should not be fixed too high, and that the first charge on the income should be a provision for extending registration establishments and offices wherever they are wanted. But, so long as these two postulates are satisfied, why should there not be a surplus of revenue over expenditure in this as in any other business? The dogma is one which at the present time requires serious consideration, and I will ask the Government of India to think carefully whether it should pledge itself to a principle like this, at a time when, as Sir David Barbour has said, it may be absolutely necessary to impose fresh taxation to meet the financial exigencies of the country. In the year 1878 or 1879, I think, the Honourable Mr. Bazett Colvin was appointed by Sir John Strachey, when Finance Minister, to draw up a series of notes on all possible sources of taxation not yet developed in India. He treated a great number of those put forward as nostrums in newspapers and by other persons, and rejected most of them as impracticable; but he showed that it was possible to raise a very considerable revenue from the registration of landed property in India. I daresay Honourable Members are aware of the amount of revenue that taxation has produced from this source in France. The constant *morcellement* of landed property which goes on there is protected by a very careful and complete system of registration, and for this protection a high price is paid. I have not looked into the figures lately, but I believe the French finances receive as much as seven or eight millions sterling a year from the registration of landed property. And I have for many years looked upon this as really the sheet anchor of Indian finance, if it is absolutely necessary in the future to impose fresh taxation. I therefore think it important at the present juncture to put in a word of warning, and to request the Government of India not to use any general words of condemnation about a source of revenue which they may find it necessary to have to resort to before very long."

The Honourable Sir *David Barbour* said:—"I have to thank the Members of this Council for the very moderate tone they have adopted in criticising the Financial Statement of 1893-94.

"I am only too conscious that the Statement is open to attack on many points, and I fully recognise that the moderate, I might say indulgent, tone which has been adopted in the discussion is due to the fact that the difficulties under which the Government of India now labours are fully recognised, and that the Council desire, as much as possible, to avoid adding to the embarrassment of the Government.

"While thanking the Honourable Members of Council, on my own behalf, for the friendly spirit they have exhibited, I take the liberty of adding that in my opinion the moderation they have shown on the first discussion of the Financial Statement under the new Act is of good omen for the future, and I can assure them that, so far as I am concerned—and in this matter I believe

I can speak for the whole Government—their criticisms and suggestions will not carry the less weight, because they have been put forward in temperate language, and with a due regard to the difficulties of the present position.

“The Honourable Mr. Fazulbhai Vishram has suggested that a portion of the cash balance of the Government of India should be invested so as to earn some interest.

“This course could no doubt be followed with advantage if we had in India a great money market such as exists in London. As matters stand in this country, I am afraid any attempt to invest a portion of the cash balance would do more harm than good. In the first place, our cash balance is not concentrated at the Presidency towns. It is scattered all over the country, in the various district and local treasuries, and we must always have a large amount of cash actually available. This amount I would not place at less than ten crores of rupees.

“Of the balance a certain proportion is lodged in the Presidency Banks. The Banks do not pay interest on the money so lodged, but the use of these balances is one of the considerations for which they undertake to do the Government business, and in this way the Government receives the value of its money.

“Another portion is kept in the Reserve Treasuries of the Government of India, and is employed to meet sudden emergencies. In Bombay, public opinion has generally favoured the loan of this money for short periods and at a low rate of interest, but in Calcutta a different view has prevailed.

“After full consideration, the Government of India have decided that it would not be to the public interest to accustom the Indian money market to rely in ordinary times on advances from the Reserve Treasuries. Such advances might not be of great relative importance in the London money market, but they would be of greater importance in India; they would be liable to be recalled at any moment, and, if such recall took place when from other causes money was dear (as it sometimes is in India), very serious consequences might be produced. It has been decided, and I believe rightly decided, that the public interests will be best served if the surplus cash balance is kept as a reserve to meet any special difficulties that may arise. When stringency arises in the open market the Presidency Banks can often obtain advances from the Government, and they sometimes avail themselves of such advances. If gold is scarce in London, a slight raising of the rate of discount very soon brings in gold from other countries; but the case is very different in India. It takes a great rise in the rate of discount to attract capital temporarily to India. The money market has been easy in India for some years, but periods of very great stringency have arisen in the past and will no doubt be experienced in the future. The Government balances are really the only special reserve we have got. They can be readily made available in time of need, either by buying the Secretary of State's bills, or by being temporarily lent to the Presidency Banks.

“It is quite true, as the Honourable Mr. Fazulbhai Vishram remarks, that with the fall in exchange the rupee pay of the Civil Services decreases in gold value, and the sterling pay of the British troops goes on increasing in silver value!

“This is just one of those anomalies of which we hope to get rid by a settlement of the currency question.

“I am sorry that I cannot give any further information at present as to the terms on which the loan of 300 lakhs will be raised. The terms of the loan must be settled with reference to the state of the money market at the time it is raised, and it would not, under any circumstances, be prudent to attempt to settle them some months in advance. The currency question has so unsettled financial matters in the present year that special caution is necessary.

“The Honourable Sir Griffith Evans made some remarks on the general financial position. He alluded to the large deficit in the estimates, and he pointed out that, if we absorbed the Famine Grant and withdrew the amount devoted to the construction of Railways and charged against Revenue under 37, the deficit would be largely reduced.

“He

" He also pointed out, and very fairly, that the rate of exchange taken in the estimates was considerably above the market rate of the day, and that the estimates contained no provision for compensation to officers on account of the fall in the gold value of the rupee. Taking everything into consideration, he came, as I understand him, to the conclusion that the Financial Statement did convey a correct picture of the present situation. That is a conclusion which I cannot be expected to controvert, and I need only explain that the sum of Rx. 75,100, which is to be expended on the construction of railways, and which he thought might be taken in reduction of the deficit, is Provincial and not Imperial expenditure, and that to strike it out of the estimates would not affect the deficit on the Imperial account.

" My honourable friend also made some remarks as regards the Home charges. Now, these charges may be looked at from two points of view. We may consider the total disbursements in England on account of India, or we may confine ourselves to that portion of the Home disbursements which goes to meet the cost of the India Office.

" I may mention, in the first place, that I have always been, and am now, strongly opposed to any increase in the disbursements in England on account of the Government of India. I think there are great objections to any such increase both from a political and from an economic point of view. But it is not so easy to keep down these charges as might at first sight appear. Everybody is prepared to agree that they should be kept down, but such agreement is what I may call an agreement in the abstract. When we come to concrete cases I do not find the same unanimity. For example, nothing is more beneficial to India than the construction of railways, and, sooner or later, great authorities urge that more rapid progress should be made in their construction. It is found that more money cannot be raised in India, and about this time the persuasive voice of the promoter is heard in the land, and simultaneously, and by what appears to be a sort of pre-ordained harmony, Chambers of Commerce both in India and in England take up the question. It is said that, if the Government of India will only give a guarantee, quite a trifling guarantee and one which will really impose no burden on the finances and which is merely put forward to remove the doubts of Lombard Street, money will flow into India for the construction of railways, and untold benefits will be conferred on the population. It is very difficult to resist a cry of this sort, raised in a very telling manner by a host of ingenious promoters, and supported by eminent authorities. At the same time, if we give way to it, the Home charges must be increased.

" Having said so much on the general question of the inexpediency of increasing the Home charges, I wish to add a few words which may help to remove some misapprehensions regarding them.

" It will be seen from paragraph 93 of the Financial Statement that the net Home outgoings for the coming year are estimated at 22,052,500*l.* This is no doubt a gigantic sum of money, but 1,249,200*l.* of the amount merely represents the paying off of certain railway debentures, and for this purpose a loan of 1,300,000*l.* will be raised. In other words, the transaction is simply a conversion of debt from one form into another form. A further sum of 2,609,200*l.* represents the repayments to Railway Companies of money received from these Companies in former years. If we act as, what I may call, Bankers for these Railway Companies, we must expect to have to repay to them the money which on a previous date we received from them. Sometimes we receive more in a year than we pay away, and sometimes we pay away more than we receive.

" In 1893-94 we expect to pay away 2,609,200*l.*, and we only receive 1,420,000*l.*

" There is also a disbursement of 1,383,200*l.* on account of remittances. This represents money which the Government of India receive in India and pay away in England. Some of this money is received from Railway Companies and is sent Home for the purchase of stores; some of it represents money received from Government servants in India and paid out to their families in England; some of it is money received from Native States or Local Governments for the purchase of stores, and so on. In short, these remittances are not, *quâ* remittances, a charge against the revenues of India.

" There is also a sum of 1,160,600*l.* on account of capital expenditure. This

is money paid for the purchase of stores, and a direct commercial equivalent is received for the expenditure. I know no means whereby locomotive engines or steel rails can be procured for nothing, or without paying for them.

“There remains the net expenditure of 15,650,300*l.* to be accounted for. Now, of this sum no less than 5,747,200*l.* is on account of the Railway Revenue Account, and it is money well laid out, and it brings in an ample return, including direct and indirect advantages.

“There is also a payment of 2,419,400*l.* on account of interest on and management of debt. The rate of interest payable is $3\frac{1}{2}$ or 3 per cent., and I know of no market other than that of London where money could have been raised so cheaply.

“There is also a payment of 1,404,900*l.* for the purchase of stores for use in India. As I said before, I do not know any way of getting stores except by paying for them. The balance includes payments for Postal and Telegraph communication with England, payments to the Admiralty for services rendered, and payments of political pensions to persons of Indian descent.

“I will not pursue the subject further. I am anxious to see the Home charges kept as low as possible, but I have said enough to show that they are not that gigantic, unjust, and crushing burden on India which they are sometimes alleged, and I dare say believed, to be.

“I come now to the remarks which the honourable Sir Griffith Evans made regarding the cost of the India Office.

“I may explain that the establishment of the India Office is not under the control of the Government of India, but under that of the Secretary of State for India in Council. The estimates and accounts of the India Office are laid before Parliament every year, and it should, I think, be presumed that due regard is paid to economy unless the contrary can be proved. My honourable friend's criticisms were put in an amusing form, but I think that in the absence of any real knowledge of the facts it would be wrong to take them for more than they are worth, lest in so doing we should do injustice to a large body of public servants who have no means of defending themselves in this place, and regarding the exact nature and extent of whose duties our information is necessarily very defective.

“As regards the Persian and Chinese Missions I may point out that these Missions perform certain services on account of the Indian Government. We have important relations with China in regard to opium and other matters; the China Mission does a certain amount of work for us in connection with these matters, and the payment is supposed to be for that work. I am happy to say that in the case of these Missions there has been quite recently some reduction of the total charge.

“The honourable Mr. Chentsal Rao has called attention to the surplus of about 15 lakhs of rupees, which is realised from the Registration Department, and, as that is a Department which is not maintained for the sake of the revenue which it produces, he has urged, with, as it seems to me, some reason, that the surplus should be devoted to the increase of the facilities for registration.

“I may explain that the Registration Department is managed by the Local Governments concerned, and any increase of expenditure which they might consider necessary in order to facilitate registration would not ordinarily be objected to by the Finance Department. It can hardly be expected that at the present conjuncture I should urge them to increase expenditure on any object, however desirable in itself, but I am sure they will be prepared to take into consideration the suggestion which has now been made, and for my part I shall be prepared to leave the matter in their hands and to accept the decision at which they may arrive. I may mention, however, that the surplus of the Registration Department is not so large as the honourable Mr. Chentsal Rao supposes, because the figures he has used do not include the charge for buildings and for pensions, or for some other items of no great importance. The honourable Sir Charles Elliott has alluded to the possibility of our some day raising a large amount of revenue from a tax on registration. Far be it from me to set aside summarily any suggestion for increasing the revenues, but I may say that, so far at my information goes, I am not sanguine that we could raise as much money from this source as the French Government appears to raise in France.

“The

"The honourable Mr. Chentsal Rao has also called attention to the Famine Grant. The amount of this Grant was determined in the following manner. It was calculated that the loss, from falling off in revenue and actual expenditure on relief, due to scarcity and famine, would amount to 15 crores of rupees in every period of 10 years, and it was held that a provision of $1\frac{1}{2}$ crores yearly would be sufficient as an insurance against such loss.

"I am disposed to agree with the honourable Member that the provision made was unnecessarily high, if we look only to the possible loss from drought, scarcity, and famine.

"On the other hand, this Famine Fund is really our only Reserve readily available to meet any of those vicissitudes to which the Indian finances are unfortunately liable, and I think this point should be borne in mind if it should be decided hereafter to take into consideration the question of reducing the amount of the Grant.

"In point of fact the Famine Grant, looked at simply as a reserve for the purpose of meeting the financial effects of famine, does not at present amount to so much as $1\frac{1}{2}$ crores of rupees.

"In the coming year Rx. 340,200 from this Grant is set aside to meet the loss on the Indian Midland and Bengal-Nagpur Railways; Rx. 65,000 is devoted to the construction of Protective Canals; Rx. 1,054,300 is devoted to the construction of Protective Railways, and only Rx. 40,500 is devoted to actual relief of famine.

"The whole Grant is devoted to purposes connected with famine, but only a very trifling proportion of it is set aside for the direct relief of persons who may be in distress owing to scarcity or famine.

"I should be very glad indeed to see the export duty on rice repealed, but in the present state of the finances I could not recommend that any portion of the Famine Grant should be devoted to this purpose. We are passing through a grave crisis, and should husband our resources to the utmost.

"The honourable Mr. Chentsal Rao has alluded to the variation in the amount of charges under certain heads in different Provinces. It can hardly be expected that I should enter in detail into an explanation of all these variations.

"Speaking generally, the explanation is that in dealing with India as a whole we are dealing with a Continent, and not with a single country.

"The circumstances of the different Provinces vary very widely.

"For example, the percentage on receipts of the cost of collection of Assessed Taxes varies from Province to Province, because some Provinces possess revenue officials who assess and collect the Income-tax in addition to performing their other duties, and whose salaries are not charged as a portion of the cost of collecting these taxes.

"In such Provinces as Bengal, on the other hand, where, from the nature of the Land Revenue system, local establishments are small in number, a special agency has to be employed for the purpose, and the whole cost of such agency is charged against the tax.

"The Excise systems, too, vary very much from Province to Province, and so do the habits of the people in respect of the consumption of excisable articles. It is impossible to draw any conclusions from the mere fact that the cost of collection is higher in one Province than in another. With regard to the difference in the cost of the Police in Bengal and Bombay, I may remark that wages are higher in Bombay than in Bengal. The cost of the Bombay Police also includes about six lakhs on account of Special Police in Native States, the cost being recovered from these States. It also includes nearly five lakhs on account of alienation of Land Revenue in favour of the village-officers connected with the Police. Bombay is the only Province in which such alienations are passed through the accounts.

"The honourable Mr. Chentsal Rao also calls attention to the increase in superannuation allowances. There is, from the nature of the case, a steady growth of expenditure under this head, which is no more to be wondered at than is the growth of population and of general revenue.

"It must be recollected that there has been in past years a great increase in the number of officers employed under the Government of India, and the inevitable result is the growth of superannuation charges.

“There has also been in the current year some temporary increase of charge owing to superannuation allowances being paid monthly instead of quarterly in England. The decision to pay certain pensions in England at the favourable exchange of 1s. 9d. added something to the expenditure. The normal increase of expenditure under this head is about Rs. 4½ lakhs yearly.

“The Honourable Mr. Chentsal Rao has referred to the advances on account of Land Improvement, and expresses a hope that the amount set aside for this purpose may be increased.

“The amount that can be devoted to such purposes is necessarily limited, but I believe more money is being advanced now than was formerly the case, and I hope it may be possible to increase it still further in future years. The total provision placed at the disposal of Local Governments for advances to agriculturists in the coming year is rather more than 33 lakhs of rupees. This is nearly three times the amount actually advanced in 1888-89. In 1891-92 and in the current year very large amounts were advanced, but these high advances were made in consideration of the drought and scarcity that prevailed in Madras, Bombay, and Ajmere.

“A reference to paragraph 33 of the Financial Statement for next year will show how great are the claims of all kinds on the Government of India at the present moment, and I have been agreeably surprised that we have been able to meet them as fully as we have done.”

His Excellency *The President* said :—“I wish, in the first place, to acknowledge, as my honourable Finance Colleague has done, the considerate and practical character of the observations elicited by the presentation of the Financial Statement.

“It will, I daresay, have struck honourable Members that the situation with which the Government of India finds itself confronted is not a bad illustration of what is sometimes spoken of as the irony of events. It is certainly not a little mortifying to us that upon this, the first, occasion, when the discussion of the Financial Statement has taken place as a matter of right under the provisions of the Act of last year, we should be driven to lay before the Council so discouraging an account of our finances, and to add the admission that, for the present, it is beyond our power to describe the means by which we can hope to extricate ourselves from the difficulties and embarrassments which surround us. How much pleasanter it would have been if the honourable Financial Member had been able to tell you of overflowing coffers, or, if they were, for the moment, less full than we could have wished, to explain to you the measures by which he looked forward to re-filling them in a suitable manner. I can assure my honourable colleagues that, if the suspense and uncertainty through which we are passing are trying to the public, they are not less trying to us.

“I believe, however, that the Budget which my honourable friend laid upon the table last week will serve a very useful purpose. It is, I cannot help thinking, the most striking object lesson in Indian finance which has yet been given to the world. My honourable friend reports to us that in two years the fall in exchange has added to our liabilities a sum exceeding four crores of rupees, a strain which he has said with truth our finances are at present unable to bear. We find ourselves compelled to restrict as closely as possible our expenditure upon those useful works on which this country depends so much for the development of its vast resources, and we are within a measurable distance of new taxation, the amount and incidence of which it is impossible to foretell, but which, if we are driven to impose it, will certainly be of an onerous kind. We are threatened with all these misfortunes, not because we have plunged the country into war, not because we have recklessly undertaken new expenditure, but because our medium of exchange is one the value of which is liable to violent and unforeseen fluctuations which we are entirely unable to control. It struck me, when the honourable Member was delivering his speech last Thursday, that nothing could have given more point to what he said as to this part of his case, than his announcement that, in the interval of time between the compilation of the Estimates and their submission to this Council, the further fall which had taken place was sufficient, if maintained throughout the year, to add Rs. 700,000 to our expenditure. There has, I am glad to say, since been some recovery, but the fact is none the less worthy of attention.

“My

“ My honourable friend is, I am afraid, but too well justified in regarding our position with grave apprehension. Not that, under ordinary circumstances, a deficit in an Indian Budget is necessarily a cause for very serious alarm. A country which has contracted large sterling liabilities, and which has to meet them from revenue collected in silver, cannot expect to adjust the income and expenditure of each year that passes with close precision. If these fluctuations were of an ordinary kind, if there were a reasonable prospect that an oscillation in one direction would be followed by an oscillation in another, we might well be content to find that, one year with another, our average income balanced our average expenditure during a term of years. Judged by this criterion, our financial history during the last four years is satisfactory enough. The honourable Financial Member would be able to show that, taking the first four years of his own term of office as Finance Minister, he has had a net surplus of Rx. 5,686,000, an amount which would cover any deficit with which we can conceivably be confronted in his fifth year. Unfortunately for us, however, it is impossible to limit the question in this manner. We have to consider, not so much the years which are past and gone as those which lie immediately ahead of us, and, if we look forward to these, there can be no doubt that we have cause for serious alarm. In spite of the slight reaction which is apparently taking place, there is absolutely nothing to show that the rapid fall in the gold value of the rupee has yet come to an end, and we should remember that, with each further fall, our difficulties increase at a progressive rate. To make my meaning clear, I may explain that, whereas a fall of one farthing in the gold value of the rupee, when exchange is at 1s. 6d., involves a loss to the Government of India of 29½ lakhs, a similar fall, when exchange is at 1s. 4d., means a loss of 37½ lakhs, while, if the same fall takes place at 1s. 2d., the loss rises to no less a sum than 48½ lakhs. No re-adjustments of taxation can keep pace with such a downward progress as this.

“ It is this prospect, and this alone, that makes the outlook so alarming. In other respects I believe the financial position of this country to be perfectly sound, and, as Sir Griffith Evans has pointed out, there are not wanting hopeful elements upon which it is possible to dwell with satisfaction. Our total indebtedness is not great, and the larger part of it has been incurred upon useful works for which the State obtains a fair return, or which may, at all events, be regarded as valuable assets. We have been extremely careful to avoid reckless borrowing, and we have indeed, as the Honourable General Brackenbury has truly said, met out of ordinary revenue many liabilities which in other countries would have been provided for out of borrowed capital. Our land revenue has, as the honourable Financial Member has shown, risen steadily in spite of somewhat adverse circumstances, and it will continue to rise. Our income from railways is progressive, and the gradual development of our commercial lines will, I feel no doubt, add still further to our resources.

“ The large expenditure which has taken place during recent years upon special defences should, in the course of the next two years, come to an end, and our Military Budget will be thereupon relieved of a sum of some 40 or 50 lakhs per annum.

“ These accessions of wealth would, in all probability, counterbalance the gradual fall in our revenue from opium—a revenue which is threatened both by Chinese competition and by political influences—but for the continued fall in the gold value of the rupee. It is, however, melancholy to reflect that, although we now take Rx. 25,000,000 of land revenue from the people of India, instead of the Rx. 21,000,000 which we received 20 years ago, the larger sum, if tens of rupees be in each case converted into sovereigns at the price of the day, represents only £15½ millions, instead of the £19½ millions for which the smaller sum was interchangeable in the seventies.

“ The same falling off has taken place in the gold value of our receipts from other kinds of taxation; the taxpayers' contribution, measured in rupees, increases steadily, but, measured by the standard made use of by the countries with which two-thirds of our business is transacted, the standard in which one-third of our own liabilities has to be met, it has shrunk below the level at which it stood in the seventies; and, if the United States of America were to discontinue their purchases of silver, and a further fall in the gold value of the

rupee were to follow, none of the resources which I have indicated would enable us to meet the catastrophe in which we should for the moment be involved.

“ It would not surprise me to find that we are asked, under these circumstances, why we do not take the public into our confidence, and tell them, at least hypothetically, in what manner we believe that we might extricate ourselves from a position of so much anxiety. I must, however, express my entire concurrence in the view of the honourable Financial Member, when he told the Council that it would be idle for us to disclose the nature of the remedies to which we may be driven to resort, until we have been made aware of the decision of the Home authorities in regard to the currency question. It is conceivable that the effect of that decision may be to give early, if not immediate, relief to our finances. Upon the other hand, if that relief is not obtained, the situation will probably not remain as it is. If it is not improved, it will, bad as it now is, probably change for the worse, perhaps a good deal for the worse, and no conjectures which we can make will help us to gauge beforehand the dimensions of the difficulty which might then confront us. That we should, in this event, have to raise large sums by taxation does not admit of a doubt. How large they will be we have no means of judging, and we cannot, therefore, say how they might best be raised. Honourable Members, and the public generally, are perfectly well aware of the sources to which the Government of India is able to look for an increase of revenue; but it would be not only useless but mischievous to discuss projects for new taxation at a moment when we are in ignorance of the amount of revenue which we should require in order to restore financial equilibrium.

“ I have only one observation to add upon this subject, which is that, should we find it necessary during the present summer to resort to new taxation in order to meet the deficit, we do not think it would be consistent with our duty to legislate for the purpose at Simla, and we should, therefore, in the event which I have contemplated, not hesitate, if necessary, to call the Council together again at Calcutta for a special session. Whether this course will, or will not, be necessary is absolutely out of our power to determine at the present time.

“ With reference to the question of our military expenditure, I need add very little to what has been so well and clearly said by the honourable Military Member. That expenditure has, no doubt, increased during recent years.

“ I am, however, far from believing that the increase which has taken place necessarily convicts the military authorities of extravagance. The honourable Military Member was able to show that, here also, the fall in exchange has laid upon us a continually increasing burden. Since 1887-88 the military estimates have been increased by no less a sum than Rx. 360,000 owing to this cause.

“ Again, there has, undoubtedly, been a considerable expenditure due to the fact that more regard is paid to the comfort and well-being of our troops than formerly. I have, no doubt, that this money has been well spent, ‘well and wisely spent,’ as Sir Griffith Evans has said, upon the improvement of the army. We know that great difficulty is found in obtaining suitable recruits, owing to the competition of other professions, and, unless we pay, feed, clothe and house our men properly, we shall find it impossible to attract to the ranks the proper class of soldier, either Native or British.

“ Besides this, additional expense is constantly imposed upon us owing to alterations in the equipment and armament of the troops. If a new rifle is invented, or a new kind of ammunition adopted for the rest of the army, we cannot refuse to adopt it for the army of India. This is not, I think, entirely due to the influence of the ‘enthusiastic soldiers’ to whom Sir Griffith Evans referred. I think there are many enthusiastic civilians who would loudly complain of us, if we were to refuse to furnish our soldiers with the most improved arms and equipment.

“ Nor must it be forgotten that, of late years, our military liabilities have very greatly increased, partly owing to the near approach of Russia on our western frontiers, partly because, by the annexation of Upper Burma, a great addition has been made both to the British Empire and to that fringe of unsettled country which adjoins our frontier, and within which we are obliged to maintain

some kind of order, not from a desire to interfere gratuitously with those independent tribes of whom Sir Griffith Evans spoke, but for the protection of our settled districts. My honourable friend seemed to be under the impression that, in such cases, we were inclined to take advantage of the high state of preparedness of our army in order to launch our troops upon these fruitless operations. All I can say is that I can testify to the reluctance of the military authorities to allow their regular troops and their transport animals to be used in small bodies in these remote places, and I am under the impression that in the recent operations on the Kachin frontier, which I think my honourable friend must have had in his mind, the columns employed consisted mainly of military police.

“ It is no doubt, *prima facie*, very serious that the 1893-94 estimates should show an increase over the Budget of 1892-93. But the increases of expenditure which have been forced upon us by circumstances which we are absolutely powerless to control, amount to a larger sum than that by which the Military Budget for 1892-93 has been exceeded. The increase in the estimates amounts, excluding expeditions, to 54½ lakhs; the increase in the obligatory expenditure, to which I have referred, exceeds that sum. Of the increase, no less than 24 lakhs are due to the fall in exchange, while 7½ lakhs are due to the rise of prices, and 8 lakhs to fluctuations which may be described as automatic, and which we are quite unable to regulate.

“ It is, therefore, beyond our power to prevent the expenditure of 1893-94 from exceeding that of 1892-93, except by insisting upon very large retrenchments, which it would be impossible to carry out suddenly, and which, if they could be carried out, would seriously impair the efficiency of our army.

“ Again, it should be remembered that, out of the total of Rx. 15,700,000 shown in the military estimates for 1893-94, about Rx. 12,000,000 are for the pay, food, and pensions of the army. Large economies in military expenditure can, I believe, only be effected by cutting down the numbers of the army, or by diminishing its pay, or by depleting our reserves of stores. A diminution of the pay of the army is out of the question. We shall be fortunate if we are not compelled to increase it before we are much older. I should be sorry to be a party to the depletion of our reserves of stores, and I trust that such a course will never find favour. It seems to follow that, if India is unable to bear the present military expenditure, we shall have to consider whether the strength of the army is greater than is absolutely necessary for the safety of the country. I for one am not prepared to admit this.

“ I therefore greatly doubt whether we shall find it possible to make large reductions in our military expenditure, although we must do all in our power to resist further attempts to increase it. Two years hence our special defences will, as I said just now, it is to be hoped, be completed, and our military expenditure thereby reduced by some 50 lakhs per annum. We shall spare no pains to economise in other directions, but I wish to avoid holding out expectations which we may be unable to fulfil. I can, however, assure the Council that the Government of India desires, as earnestly as Sir Griffith Evans does, to avoid a recurrence of exceptional expenditure on expeditions, or on any other military objects the necessity of which is any degree open to question.

“ There is one other matter as to which I must add a few words. It is that to which reference has been made by the honourable Mr. Stevens and the honourable Dr. Lethbridge. I am not at all surprised that they should have mentioned it, or that they should have reminded the Council of the grievous hardship to which European officers in the services of the Government of India have lately been subjected owing to the rapid fall of exchange which has taken place during the last two years. Nor have I any complaint to make of the honourable Mr. Stevens's account of what passed when, at the end of January, I had the honour of receiving, at Government House, a deputation from the Services. I then stated that the Secretary of State had left us in no doubt as to the sympathy with which Her Majesty's Government regarded their case. I said that we could not expect the sufferers to tolerate, for an indefinite period, the distress which they had borne with so much self-command for some time past, and I expressed my hope that the time was approaching when we should be able to meet, in a just and reasonable manner, the claims which the deputation had urged upon me. When I uttered these words, I certainly expected

that, by the time the Budget Statement would be made, the suspense to which I referred would have been terminated, and I looked forward to including in our financial arrangements for the coming year suitable provision, either of a temporary or permanent character, to meet the case of the Services. I feel no doubt that those expectations were shared by our officers, and that it was generally, and I must say not unreasonably, anticipated that the Budget Statement would contain some specific engagement as to their case. If no provision has been made by my honourable friend, I trust that the omission will not be regarded as an indication that we desire to shirk the question, or to postpone its consideration for a day longer than we can help. As a matter of fact, the Government of India has, since the deputation was received, submitted to the Secretary of State specific proposals with this object, and suggested to him that provision for meeting those proposals should be made in the Budget.

“I have been authorised by His Lordship to make public in his own words the reasons for which he has found it impossible to sanction the necessary provision being made in the Budget. He telegraphed to us on the 7th of March as follows:—

“I greatly regret losses fallen on European officers, and am prepared to give consideration to any measures suggested by you for remedying grievances which you represent, but it is impossible to determine what measures should be taken, apart from the questions now before me with respect to the currency, decision upon which cannot be much longer delayed, but which cannot be expected before the Budget.”

“That is how the case of the Services stands, and I think it will be evident to honourable Members that it is beyond our power, for the present, to do more than has been already done.”

The Council adjourned *sine die*.

J. M. Macpherson,
Officiating Secretary to the Government of India,
Legislative Department.

Calcutta, 4 April 1893.
