



Budget Note
For the year 1346 Fasli
(6th October 1936 to 5th October 1937 A.D.)

Prepared for
H.E.H. The Nizam's Government

By
A. Hydari
Hydar Nawaz Jung
Finance Member

HYDERABAD-DECCAN
AT THE GOVERNMENT CENTRAL PRESS

1936

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IN presenting the Budget, it is the practice to review in a note the financial affairs of the country and to comment on the more important improvements in its administration as expressed by the figures of the Budget. This review includes the figures not only for the coming year but also those for the two years previous. The system in the Dominions of Budget estimates is based on a scheme of triennial contracts known as the Departmentalization of the Finances. The coming year 1346 Fasli is the last of the triennium 1344-1346 Fasli.

2. The principle, underlying this system, lies in gauging as carefully and accurately as possible the probable revenue and expenditure for a period of three years, which form the "Norm" for the estimates for that triennium. Annual estimates are based on that "Norm," fixed in consultation with the Departments, taking into consideration the special circumstances and features of the year. The annual allotments made to the Departments during the currency of a triennium do not lapse at the end of the year. Any amount left unspent is carried forward to the credit of the Department and is available for its use as and when required, except that provisions left unspent up to the last day of the triennium are halved, one-half again going back to the Department concerned and one-half lapsing to the General Revenues.

DEPARTMENTALISATION OF FINANCE.

3. At the expiry of each triennium or earlier if it is considered necessary the surplus of the previous years is distributed to the Departments generally and specially to those Departments like the Public Works Department for roads, and other Departments such as Education, Public Health, Agriculture, etc., which are known as nation-building Departments, for equipment, buildings and other expenditure of a non-recurring and self-contained nature.

4. There are also special Reserves established to meet specific objects, to which an annual contribution is made by the General Revenues as their normal allotment. These Reserves are allowed to be drawn upon, when any expenditure is required to be incurred for purposes coming strictly within the purview of these Reserves. Famine Reserve and the Reserve for the Redemption of Government Debt, are instances in point. There is also the Industrial Reserve, the corpus of which is used in financing large industries within the State like Coal and Gold Mines, Cement Works, Textile Mills, etc., and the dividends accruing from these investments are again used for giving help to Cottage Industries, Industrial Surveys, Industrial Training Scholarships, etc. For deposits of the nature of Post Office Savings Bank, Provident and Insurance Fund and such like deposits on which Government has the liability to pay interest there is a separate reserve. The Osmania Sicca Stabilization Reserve and the Paper Currency Reserve are of a different character and have been built up, not from General Revenues but respectively from profits on Comage and from one-third of the net Currency Note Circulation which can statutorily be invested in securities.

5. In conformity with the orders of the Executive Council, the principles and rules of the scheme of the Departmentalization of the Finances are as usual reproduced in full at the end of this Note, for facility of reference by those who may wish to have more detailed information about the essential features of the Scheme.

6. This system makes for a well-deliberated and far-seeing programme together with due care and economy in the expenditure. It avoids the rush of hurried and ill-considered expenditure at the end of a budget year, in which the spending departments are apt to indulge, where the system of grants lapsing at the close of the financial year obtains. Although the Finance Department expressly reserves to itself the right to reduce the

contract grants of the various departments in case of some grave financial emergency, this right has not yet been so far exercised. During the last 13 years, not only have the triennial contracts with the departments never once been broken but, where good and sufficient reason has been shown, Government have sanctioned extraordinary expenditure for departments over and above their contract grants.

7. The Dominions of His Exalted Highness comprise 82,698 sq. miles with a population, according to the Census of 1931, of 14,436,148. Under the wise and beneficent rule of His Exalted Highness, Hyderabad has, under Providence, enjoyed in the sphere of Finance, with which I am concerned now, an exceptional position, because its budget has been, notwithstanding the world depression, a balanced one with a surplus forthcoming every year, without any increase of existing taxes and without any imposition of new taxation. In fact up to the present time there have been substantial remissions of Land Revenue and reductions in Customs duty, apart from extraordinary remissions in cases of famine and similar calamities. In addition, the amount of the departmental balances, outstanding at the end of the year, shows that the departments have not been stinted and have had more than they required to spend.

ACTUALS 1344 F. 8. The year 1344 was no exception to this and a surplus of 13·14 lakhs was achieved. The total figures are as follows :—

			Norm	Budget	Revised	Actuals
Revenue	..	..	852·96	848·58	839·79	842·01
Expenditure	..	..	824·11	829·64	827·18	828·87
Surplus	..	..	28·85	18·94	12·61	13·14

It will be seen that the total figures of the Actuals differ but little from the Norm and still less from the Budget or the Revised estimates.

Receipts.

9. Actual Receipts were 2·22 more than the Revised and 6·57 less than the Budget figures. The main features of the receipts are as follows :— Excise actually realised 167·62, i.e., 12·62 more than the Budget estimate. This was partly due to the introduction of the Madras (Shopwar auction and tree-tax) system and partly to the collection of arrears due in previous years. An interesting increase was that of 1·06 over the budget in Stamps to a total of 21·06. Interest received from the Banks increased the receipts under Paper Currency to 19·39, an increase of 1·19 over the Norm and the Budget.

10. A satisfactory feature is the figure for the State Railway which shows a profit for Government of 109·52 lakhs, against a budget estimate of 105·41 and a revised estimate of 107·82.

11. Owing to crop failures, occasioned by unequal distribution of rain even though it was above the average, Customs receipts 91·66 lakhs were 11·34 below the Budget estimate and 3·34 less than the Revised estimate. The same cause accounted for a drop in Land Revenue of 8·05 as compared with the Budget estimate. Hyderabad could not possibly remain immune from the effects of the world depression. During the last five or six years some of its principal sources of Revenue especially Land Revenue remain materially affected. It was necessary to make considerable remissions in Land Revenue in order to help the Agriculturist who was hard hit by the fall in the price of his products. Customs, which also depends upon prices both of exported produce like Cotton, Oil-seed, etc., and import of Manufactures, sank from the Norm of 138 lakhs in 1338-1340 to Actual Receipts of 91·66 in 1344 F.

Expenditure.

12. The Expenditure figures for 1344, taking into account unspent grants by Departments from the Budget provision for the year, have not shown any appreciable variation from the Budget, the Revised, and the Actuals, being 829·64, 827·18 and 828·87 respectively.

13. During 1344 Fasli, the Extraordinary grants, made at the time of framing the Budget and subsequently in the course of the year, amount in all to 21·70 lakhs. These increases were mainly for Customs, Excise and Postal

Departments (1½ lakhs), tour expenses of Walashan Princes (1¾ lakhs), Judicial Committee and Judicial Inspecting Officer (1 lakh), Municipalities and town improvements (1¾ lakhs), Buildings (2¾ lakhs), remodelling of Hyderabad Railway Station (3½ lakhs), King George's Silver Jubilee Fund (2½ lakhs), Palestine University (1¼ lakhs), additional grant to Sir Rabindranath Tagore's Academy (¼ lakh), Quetta Earthquake Relief Fund (¼ lakh), purchase of articles for Archaeological Museum (¼ lakh). At the same time grants were made for the starting of two new departments which are expected to have far-reaching effects, *viz.*, Broadcasting (¾ lakh) and Civil Aviation (¼ lakh).

14. As 1344 was the first year of the triennium, the surpluses of the previous three year period came for distribution. Out of these 50·15 was given to departments and 35·88 of this was spent. Of the sum of 50·15, the sum of 14¾ was for Public improvements, *viz.*, 5¾ for remodelling Hyderabad Water Works and 9 lakhs for Hyderabad Drainage Works. Buildings accounted for 35 lakhs out of which 28½ was assigned to Osmania University. As the result of this substantial appropriation the University has made good progress and already some hundreds of students are accommodated on the site.

15. The moiety of savings placed to the credit of the departments at the beginning of the current triennium amounted to 101·05 lakhs. The expenditure incurred by departments from their Departmental Balances is 50·92 in 1344 Fasli which will likely be 76·46 in 1345 Fasli and for 1346 Fasli the amount proposed for the time being to be utilised by the departments is 10·05 only. If the departments do not draw upon their balances in 1346 Fasli beyond what they at present propose, the accumulated balance, standing to the credit of the departments at the end of 1346 Fasli inclusive of accretions of 1344 and 1345 Fasli, may be estimated to be 131·68 half of which will remain available to them even for the next triennium. This indicates the spirit in which the triennial departmental contracts are fixed by the Finance Department.

16. I now come to the results of 1345 Fasli. The figures given are **REVISED 1345 F.** not final since the year has only recently closed but they may be taken as substantially accurate. They are :

			Norm	Budget	Revised
Revenue	..	..	852·96	855·92	873·18
Expenditure	..	..	824·11	839·46	852·10
Surplus	..	..	28·85	16·46	21·08

It is gratifying to note that a surplus of 21·08 was achieved against the estimate of 16·46 and a surplus of 13·14 in 1344 Fasli. The forecast for 1346 Fasli shows a still higher surplus at 22·18.

17. The total Receipts for 1345 Fasli were 873·18 which is an increase **Receipts.** of 31·17 over 1344 Fasli. The Receipts for 1345 F. exceed the Estimates twelve months ago by 17·26. The increases are in the three principal heads of Revenue namely 5·00 under Land Revenue, 10·00 under Customs and 4·50 under Excise. These increases which have been off-set by certain small decreases show that the downward trend has been definitely reversed and the hopes expressed last year of an increase in Receipts have been fully realised.

18. The improvement in Excise is likely to continue owing to the introduction of the Madras system of Tree Tax. In 1344 F. the receipts under this major head were 167·62 against a Norm of 155 and in 1345 they amounted to 169·50. It is hoped the situation will improve now, when the Jagir Excise Revenue Administration has come wholly under the Excise Department of the State. According to the proposals sanctioned by His Exalted Highness, the Jagirdar is fully assured of getting what is properly due to him, while the introduction of measures, aiming at equalisation of duty and uniformity of control, will prevent losses to General Revenue on account of unfair competition and smuggling of sendhi from low duty areas.

19. Besides the three principal sources mentioned above there are other items of revenue. Excise Duty on Matches, Opium and Forests have shown decreases on the Budget estimates.

20. Post Office also shows a slight loss in its working but this is in accordance with the Budget estimates. It is a matter for regret that the dual system of Post Offices in the Dominions necessarily involves duplication and waste. It is hoped that when the problems of Federation are decided, an arrangement will be arrived at, giving the Post Offices of His Exalted Highness their full functions and eliminating unnecessary competition.

21. The financial heads of Mint, Paper Currency and Exchange show little variation. Interest, however, has recorded an increase of 1·60 lakhs.

22. The Railway continues to give the State a good return of over 6 per cent. on the Capital Expenditure, which again emphasises how advantageous has been the acquisition of the Railway by the State. On a Capital expenditure of 17½ crores a profit of 109·52 was made in 1344 and of 106·43 in 1345 Fasli. At the same time the line was maintained in a high state of efficiency and a further Capital expenditure of 42·28 was incurred.

23. Electricity (City +1·88 and District -18) shows a balance of 1·70 receipts over expenditure. The general position is dealt with under Capital Expenditure. Telephones show a loss of ·20 but it is to be hoped that with an improvement in the service, this loss will be wiped out.

Expenditure.

24. The Expenditure for the year 1345 F. was 852·10. In fact, however, the net expenditure after deducting unspent departmental balances of 69·89 was 782·21. The corresponding figure for 1344 was net expenditure 744·97 lakhs. The principal departments to which these balances were carried were Buildings and Communications and Irrigation (32½ lakhs), Municipalities and Public Improvements (5½ lakhs), Military (5½ lakhs) and General Administration (1½ lakhs.)

25. In Service Expenditure are included extraordinary grants to the extent of 38 lakhs from current revenues. The tours of the Princes, etc., accounted for 6½ lakhs, repayment of their debts 5½ lakhs, Broadcasting Equipment 2 lakhs, Construction of Radio Transmitting Station 1½ lakh, Aviation Buildings 1½ lakh, Remodelling Hyderabad Water Works 2 lakhs, City Drainage 5 lakhs, Donation for charitable work in Delhi ½ lakh and for the statue of His late Majesty and the portrait of H.E. Lord Willingdon ½ lakh. The Princes' expenditure has now been reduced to a fixed Civil List separate from that of His Exalted Highness.

Capital Expenditure.

26. Besides the ordinary Service Expenditure, the State undertook in 1345 F. a considerable amount of Capital Expenditure amounting to 73·26. Out of this Capital Expenditure, Irrigation accounted for 9·16, Railway Construction for 42·28 and Electricity for 6·00 for the City and 9·06 for the Districts.

27. The financial position of the District Electricity Department concerns, though better, is not yet satisfactory. Even Aurangabad, which started as early as 1337 Fasli, does not seem to pay its way. According to the unaudited figures, during the four years 1341-44, the General Revenues had to meet a loss of over half a lakh if interest charges are also included.

28. The effect of the figures for departmental spending, apart from Capital Expenditure, is that the departments in 1345 Fasli had service funds available to the extent of Rs. 857·44 Budget and 29·00 fresh sanctions in excess of budget both from current revenues and 148·30 from Departmental balances, total 1034·74 of which they spent 872·48.

BUDGET 1346 F.

29. I will now explain briefly the Budget estimates for 1346. The figures for Revenue and Expenditure are as follows :—

	Norm	Budget 1345	Budget 1346
Revenue	852·96	855·92	869·56
Expenditure	824·11	839·46	847·38
Surplus	28·85	16·46	22·18

It will be seen that the present estimate for 1346 forecasts Receipts as 13·64 better than the Estimate for 1345 made in 1344 and 16·60 better

than the Norm. The above surplus is after transferring 15·00 lakhs to Famine Reserve and 18·68 to the Debt Redemption Reserve.

30. It is expected that Customs will realise 101·35 or 6·35 more Receipts. than the estimate for 1345 though as a measure of caution it has been put at 3·65 less than the receipts for 1345 which were 105.

31. There is an increase forecasted of 3·26 for Interest due to the purchase of new securities in 1345. The same reason accounts for an increase of 1·15 under Paper Currency.

32. Moderate optimism is, I think, justified with regard to the Post Offices and an increase in gross revenue of 1·14 is anticipated. For the reasons, however, I have previously given, it is an uphill task for the State, under present conditions, quite beyond its control, to place its Post Office administration on a sound financial basis.

33. The City Electricity is expected to yield, after paying interest on capital at charge, a net revenue of 2·87, of which 1·00 will be retained with the Department for the benefit of its employees and the balance of 1·87 will go to the General Revenues. Thus in spite of a loss of ·18 on the District concerns this head will show a net profit of 1·69.

34. The item of Vehicle Tax is a new head, due to the necessity of building up a Road Fund to meet the requirements of modern motor traffic. A new Motor Vehicle Act will come into force from the 1st Azar 1346 Fasli and Registration and License Fees are expected to bring in, for the first year at reduced rates, an income of 2·60 lakhs, which, after meeting necessary charges, will remain earmarked for purposes of road construction.

35. In the total of Service Expenditure of 847·38 there are some items Expenditure. of interest affecting the economic development of the State. 7 lakhs have been set aside for Aviation and 5 for Broadcasting during this triennium. In 1346 an extraordinary grant of 2½ is proposed for non-recurring initial expenses of Aviation. Hyderabad is now a stage on the Karachi-Bombay-Madras Air Mail route and a Civil Aviation Club for the present practically subsidised by Government has come into existence to give local encouragement to flying. The public of Hyderabad have now not only this rapid means of transit at their service but the air-minded amongst them have a good opportunity of learning flying under expert guidance. Steps are also being taken to set up an Aviation Service on a commercial basis under the control of the N. S. Railway.

36. As regards Broadcasting the existing station at Hyderabad will give place to a more modern and powerful one. Aurangabad will soon have a station for itself and later on other district headquarters will have good stations set up, with the object of educating, instructing and entertaining the people in the villages in their own vernacular languages.

37. Under General Administration, some expenditure has been incurred on the formation of a compact Constitutional Affairs Secretariat. This was necessitated by the many and complex problems raised by the State being called upon to consider the all-important problems connected with the proposed Federal Constitution for all-India. The State had to be ready not only to be able to say whether Hyderabad could federate or not, but what is more, it had very carefully to consider, if Federation was agreed to at all, what reservations and safeguards would be necessary to ensure to Hyderabad complete financial stability, non-interference in day-to-day administration of Federal and non-federal subjects, and preservation of such prized insignia of Sovereignty as Currency and Post Office. It was, therefore, found necessary for the purpose of examining carefully the implications of the proposed Constitution, that a separate and expert Secretariat should be established to bring to fruition the labours of the Hyderabad Delegation since the Round Table Conferences. The step was taken none too soon as, very shortly after the establishment of the Secretariat, His Exalted Highness' Government were invited to start discussions in November next with the representatives of the Government of India on the question of their accession.

38. The expenditure for 1346 Fasli will cover other features of interest such as the giving effect to the recommendations of the Education Enquiry

Committee, which have been the outcome of discussions initiated in the State so long ago as 1929.

39. Drainage will receive an extraordinary grant of 5 lakhs and Education $\frac{3}{4}$ lakh for Scholarships and encouragement of literature.

Capital Expenditure.

40. Under Capital Expenditure the total provided is 98·17 lakhs in 1346 as against 72·43 lakhs in 1345. Irrigation accounts for 7·12 lakhs which will be used in carrying on existing construction.

41. Five lakhs go to providing residential buildings, of which 2 lakhs will be for Civil and 1 for Military Officers and 2 lakhs for the Osmania University Staff.

42. The biggest item of Capital Expenditure is that of Railway Construction which accounts for 67·67, of which 35 lakhs has been kept for the Aurangabad-Bir-Purli line. If this line is sanctioned, on receipt of the report now under preparation with the Railway Department, it will not only open up the whole of the Bir and Western portion of the Aurangabad Districts but will provide a parallel Broad Gauge line to the existing Hyderabad-Godavari Valley Metre Gauge Railway. After this line covering 137 miles is completed, it will require a change of gauge only between Aurangabad and Manmad to enable Hyderabad having a direct Broad Gauge connection via Manmad with stations in the North.

43. Seven lakhs is for the expansion of Road Mechanical Transport Service. Hyderabad has been a pioneer in the co-ordination of Road and Railway transport. In 1341 an up-to-date Bus Service was inaugurated by the Railway with monopolies over certain selected routes. As private monopolies are expiring, the Railway is replacing them with a better organised bus service. The Road Transport mileage by the end of this triennium will have increased to 3834 miles, and the fleet of buses to 235. The capital outlay will amount to 50 lakhs. Standardisation of regular services and low rates characterise the Railway Bus service. A further development in the co-ordination of all forms of public transport will be accomplished, if the State undertakes to operate its own Air Service, in conjunction with its Rail and Road Services.

44. This I think concludes the main points of interest in the results of 1344 and 1345 Fasli and the forecast for 1346 Fasli and all that remains is to give a short summary of the position of the Cash Balances and of the growth of the State Investments.

Cash Balance.

45. The year 1344 Fasli opened with a Cash Balance of 164·59 lakhs and after the addition of 144 lakhs from a new loan, closed with a cash balance of 305·91 lakhs. The year 1345 Fasli is expected to close at 178·16 lakhs after financing a Capital Expenditure of 73 $\frac{1}{2}$ lakhs and Investments costing 1 $\frac{1}{2}$ crores. The Investments represent the purchase of Government of India Scrip on behalf of the Debt Redemption, Famine, O.S. Stabilization and Deposit and General Reserves which had large balances at their credit to be invested when a suitable opportunity offered. The year 1346 Fasli will thus commence with a Cash Balance of 178·16 lakhs and after incurring Capital Expenditure of 98·17 lakhs and meeting Service Expenditure of 869·94 is expected to close with a Cash Balance of 151·53 lakhs.

Reserves.

46. Reserves show substantial increases during the past two years and are estimated to augment still further. In the beginning of 1344 Fasli the total Reserves amounted to 9 crores. In 1346 Fasli the figure will be 10 $\frac{1}{2}$ crores. Out of this sum the Famine Reserve, which receives an annual contribution of 15 lakhs from the General Revenues, will have amounted to 2 crores 87 $\frac{1}{2}$ lakhs. The Industrial Reserve will be reaching a crore, and the Deposits and General Reserves will have practically reached that figure (*viz.*, 88 $\frac{3}{4}$ lakhs and 99 $\frac{1}{4}$ lakhs respectively).

47. The Debt Redemption Reserve for which an annual allotment of 18 $\frac{3}{4}$ lakhs is laid aside from the General Revenues will have reached 2 crores 11 $\frac{1}{2}$ lakhs. Against this Reserve the State will have a debt of a little over 7 $\frac{1}{2}$ crores from which Capital Expenditure of 6 $\frac{1}{2}$ crores on large Irrigation Works, Electricity and other public Utility Concerns will have been incurred and the purchase of the Railway in 1339 F. and its subsequent expansion showing capital at charge at 17 $\frac{1}{2}$ crores financed.

48. These figures exclude the Paper Currency Reserve and the Osmania Sicca Stabilization Reserve. With regard to Paper Currency, our net circulation amounts to 12½ crores and under our Paper Currency Act one-third of the net circulation may be held in the form of Government Paper, etc. The Paper Currency Reserve Investment now amounts to 406 lakhs and is therefore yet 16 lakhs less than the Statutory limit. The Osmania Sicca Stabilization Reserve, formed from the profits of coinage, will amount to 359 lakhs. With a view to meet all trade requirements, His Exalted Highness' Government has arranged to have a sufficient stock of O.S. currency in the relative treasuries and B.G. notes and coin offered by the public are freely converted in O.S. currency at rates fixed under special notifications by Government. This measure has enabled the Government to supply freely O.S. currency at places where B.G. currency was more or less in circulation. In recent years the circulation of O.S. currency in these places has increased considerably and the people are getting used not only to transact all their business in the currency of the State but also to invest their surplus funds in State Loans, State Postal Savings Banks, and Industrial concerns within the Dominions.

49. It is not usual to consider the distribution of accrued surpluses during the currency of the triennial contract or to discuss the ways and means for financing extraordinary projects. These matters are threshed out when the triennial contracts are made with the Departments. The construction, however, of the Osmania University is to be completed and the Government is also very keen on providing Hyderabad with a duly designed Central Secretariat and in the interests of law and order provision of Police Barracks in the Districts must be effected. The authorities responsible for these works are naturally anxious for an indication from the Finance Department as to the manner in and the extent to which these would be financed, so that they might be able to set the pace accordingly. The Finance Department are prepared to guarantee an annual allotment for the next four years of 15 lakhs to the Osmania University, of 10 lakhs for financing the District Police Barracks, and 7 lakhs, until completion, for the Central Secretariat. With a view to prevent this expenditure affecting the normal building grants in the next triennium, it is proposed to finance it partly out of past years' surpluses but mainly by flotation of a loan at a suitable time and provide in the Budget for the necessary interest and Sinking Fund charges which will be easy as the annual provision of 15 lakhs for the Famine Reserve will cease with its reaching a total of 3 crores. It will not be right to throw the burthen for the construction of buildings of this kind of a permanent character wholly on the present generation without making posterity have their due share in it.

50. The finances of the Co-operative Credit movement, the indebtedness of the ryot, and the development of industries and mineral resources of the Dominions have been objects of special concern to Government, and with the establishment of a Reserve Bank of India under an All-India Federation, it has now become imperative for Hyderabad to seek help in the solution of its Banking problems through a State Bank of its own. The problem, especially of the management of such a Bank, is fraught with great difficulties but I have no doubt these will be overcome.

51. I end this note with the hope, which I feel sure is justified, that the progress of the past year will, under God's Providence, be maintained. It is in this year that His Exalted Highness the Nizam will celebrate his Jubilee. His reign has been a period of financial stability combined with a very real increase in the prosperity of his subjects. The result is the high financial reputation enjoyed by Hyderabad.

CONCLUSION.
Building Programme.

Hyderabad State Bank.

A. HYDARI

N. JUNG,

Finance Member.

HYDERABAD (DECCAN),

1st Azur 1346 F.

6th October 1936 A.D.

Scheme of Departmentalization of Finances

THE Executive Council has desired that in future, a note should be attached, as an enclosure to each Budget Note, explaining the Scheme of the Departmentalization of the Finances, on which the Hyderabad Budget is framed. In accordance with this desire the following note has been framed for the benefit of those, who have not had an opportunity of reading the exposition of the scheme in previous Budget Notes.

The main ideas of this scheme were formulated by me in the following paragraphs, with which I presented my first Budget Note for 1331 Fasli on appointment as Finance Member.

“ I shall try to eliminate as far as possible, from the ordinary revenue and service expenditure of the State, purely temporary items of expenditure and especially those which should not genuinely be considered as such. For example, receipts on account of sale of funded investments, like Government Promissory Notes might swell the cash balance of the State, but being at the expense of our invested balances their inclusion would distort a correct view of our revenue income. Similarly, the profits from *Osmania Sicca coinage, which formerly used to be invested in a separate reserve (the Kaldar Reserve), cannot be depended upon as a regular source of income, and, cannot therefore be treated in the accounts as an ordinary source of revenue. On the other hand, meeting the whole of the famine expenditure as part of the ordinary expenditure of the year in which the famine, after a cycle of years, happens to occur, abnormally exaggerates the position, as regards expenditure, of that year.”

“ One of the problems, to which the Financial department proposes to address itself in the coming year, is the revision of the classification of the heads of receipts and disbursements in such a way as to exhibit each class in its true perspective and to earmark the different funded investments under separate reserves according to the sources from, or the objects for, which they have been constituted. There is also another object in view in this revision and that is, what I might call, the *Departmentalisation of the Finances*. In a passage that has become classic, Sir John Strachey showed how before the provincialization of the finances in British India, it was the Province that cried the loudest, and not the one that deserved the most, that got the largest share from the common treasury of India ”:—

“ The local governments had no means of knowing the measure by which their annual demands upon the Government of India ought to be regulated. They had a purse to draw upon of unlimited, because unknown, depth. They saw on every side the necessity for improvements, and their constant and justifiable desire was to obtain for their own province and people as large a share as they could persuade the Government of India to give them out of the general revenues of the empire. They found by experience that the less economy they practised and the more importunate their demands, the more likely they were to persuade the Government of India of the urgency of their requirements.”

“ Applying this analogy of the *Provinces* in British India to the different *departments* of this State, giving the most to the department that cried the most was a policy which led to no practical difficulties when as ten or even five years ago, a surplus of over a crore or even a crore and a half out of a total revenue of between five and six crores was a normal feature of the State Budget. But this has become impossible now, when as will be observed when I deal with the budget figures

* O. S. Rs. stands for Osmania Sicca rupees, the State currency, B. G. Rs. stands for British Government rupees, the British India currency.

for 1331 F., in detail, the highest receipt budget, that has so far been framed, is just sufficient to meet all the demands of expenditure to which the Government practically stands committed; and the policy, that suggests itself to me as the best at present for adoption, is to fix the total grant of each department for a number of years and give it a large measure of autonomy within that grant, subject of course, to such general restrictions as are necessary to avoid any undesirable developments or precedents, and subject also to a rigid and really effective audit. The department must carry out whatever measures of reform it might desire to institute within this grant. If it happens to have any proposals for capital expenditure, it must provide, within its grant, for the amount of interest by which the earnings of the project fall short of the interest charges, incurred by the State in financing it. If after such allocations of the ordinary income among the different departments and making due provision every year for the formation of specific reserves for such classes of expenditure as, like famine, come inevitably but after a cycle of years, there happens to be a surplus it would be the happy privilege of the Finance department to suggest how that surplus could be most profitably distributed, the first claim on it ordinarily being that of the department contributing to its creation and then of development departments like Education, Sanitation, Commerce, Industries, Irrigation and Communications, that promote the mental, physical and economic efficiency of the people. Until, however, such a surplus is actually in the coffers of the State, the Members in charge would be trusted to see that the expenditure is kept from year to year within the grants fixed for them for a definite period."

"The scheme was sanctioned in 1331 F. and the following gives the latest version of the rules which were framed to give effect to my proposals and passed by the Executive Council of His Exalted Highness the Nizam's Government on 27th Aban, 1331 F. and subsequently slightly amended at the time of 1338 F. Budget.

I. The grants allotted to each department shall be fixed for three years beginning from 1332 Fasli provided that—

(a) if any particularly adverse conditions like Famine or severe scarcity arise, they will be liable to curtailment,

(b) if there is any increase at the end of the year over the Normal Receipts the excess will be distributed by additional allotments to the different departments in such a way as Government may decide.

II. Each of the spending departments noted in the margin will be entitled to spend in addition to its normal grant any increase in its Receipts and the proceeds of any fees or cess, etc., that may be imposed lawfully for the service of that department.

III. A department may be given in special circumstances a special allotment for expenditure in advance, if the Government is satisfied that the Expenditure will be covered by a corresponding increase in the Receipts.

IV. Each of the Commercial and quasi-Commercial departments mentioned in the margin shall have at its disposal :—

(a) its normal net grant, if any, is fixed,
(b) and the Receipts earned by it, out of

which it will have

(i) to defray all working expenses
(ii) provide for suitable depreciation
(iii) pay to Government interest at 5 per cent. on the total Capital at charge. From the balance left it will pay such profits to Government as the circumstances of the department permit.

Post Office and Departments under "F" Administration.

Printing, Electricity, Workshop, Telephone, Industrial Concerns, Jail Industries, Stationery Depot.

V. Every expenditure will be subject to Budget provision. Expenditure in excess of the normal grant will be allowed either in the circumstances mentioned in Rule III or if the department has an equivalent amount of surplus balance at its credit brought over from the previous year. Sanction, under Royal Commands issued without the initiative of the department, will be in addition to the normal grant and will be in excess of the Budget provision.

VI. Percentage and scale charges payable under the rules on revenue collected, as also refunds, rebates, and remissions of excess collections shall not be subject to Budget provision.

VII. The savings from departmental grants shall be placed at the credit of the department concerned for expenditure during the years of the contract, and at the end of the third year, one-half of the amount of the un-expended surplus of each department will be carried forward to its credit for the next period of the contract but the savings by reduction under the following heads will lapse entirely to Government :—

1. Mansabs and special allowances.
2. Yomias, Mamuls (not conditional on performance of service).
3. Rusums.
4. Reductions under Irregular Troops.
5. Tahrir of Sarishtadars.
6. All sinecure allowances.

VIII. If any department desires an increase for its capital beyond the capital grant already sanctioned, it must provide, within its grant, *i.e.*, from its receipts, for the amount of interest at 5 per cent. on the whole capital inclusive of the old as well as the new capital claimed. This will be the first charge on its gross Receipts.

IX. The charges under Salaries and Allowances, Contingencies, and Supplies and Services, shall be regulated by the scales, rules and regulations in force from time to time.

X. The departments will have full powers of inter-appropriation of grants under Contingencies and Special Charges (Supplies and Services) excepting the grants mentioned in Rule VI. They will also have power to reappropriate from Contingencies and Special Charges to Travelling Allowance and Tour Charges.

XI. The savings under Salaries and Personal Allowances on account of appointments unfilled shall not be appropriated for the creation of permanent appointments, but may be utilised for the payment of arrears of pay or temporary appointments not costing more than the amount. Permanent reduction in establishment below the cadre fixed by Government on the recommendation of the Salaries Commissions can be appropriated for the creation of new appointments as well as for increase in contingencies, special charges and other improvements of the department.

XII. The allotments for Travelling Allowance and Tour Charges and also the provision for works under Forest, Buildings and Communications, Irrigation and Public Improvements and grants for Petty Construction and Repairs placed at the disposal of each department shall not be appropriated for salaries and contingencies except with the express approval of the Finance Department, which will be accorded only in very exceptional circumstances.

A. HYDARI,

Finance Member.

PART I.

Actuals for 1344 Fasli.

A. -SERVICE HEADS.

THE figures of Receipts of the year 1344 F. and of Expenditure chargeable to Current Revenues of that year, as expected in Original and Revised Estimates and as recorded in the final accounts, are exhibited in the statement below :—

They show that the Surplus, taking into account the Balance to the credit of the Departments and the transfer to Famine and Debt Redemption Reserves, was 13·14. This is less than the Original Estimate by 5·80.

Heads	Normal 1844-46 Fasli	1844 FASLI			VARIATION OF ACTUALS FROM		
		Original	Revised	Actuals	Normal	Original	Revised
1	2	3	4	5	6	7	8
Receipts ..	852·96	848·58	839·79	842·01	—10·95	— 6·57	2·22
(a) Ordinary Expenditure ..	824·11	846·95	797·86	781·30	42·81	65·65	16·56
(b) Extraordinary Expenditure from Current Revenues ..	..	8·04	18·84	14·59	—14·59	— 6·55	4·25
Total ..	824·11	854·99	816·70	795·89	28·22	59·10	20·81
Deduct : from Deptl. Balance ..	..	25·35	39·50	50·92	50·92	25·57	11·42
Net from Current Revenues ..	824·11	829·64	777·20	744·97	79·14	84·67	32·28
(b) Add : Deptl. Balance carried to Deptl. Account ..	..	..	49·98	83·90	—83·90	—83·90	—83·92
Total Expenditure ..	824·11	829·64	827·18	828·87	— 4·76	·77	— 1·69
Surplus ..	28·85	18·94	12·61	13·14	—15·71	— 5·80	·53

2. Transfers from Famine and Industrial Reserves, to meet Expenditure per contra, amounted to 10·13, and 1·07, respectively against 5·19 and 1·02 provided for in the Budget. Extraordinary Grants from Past Surpluses were budgetted for at 50·15, of which 35·88 were spent and 14·27 carried to the credit of Departments.

REVENUE RECEIPTS.

3. The variations of Service Receipts are tabulated below :—

Heads	Normal	1844 FASLI			VARIATION OF ACTUALS FROM		
		Budget	Revised	Actuals	Normal	Budget	Revised
1	2	3	4	5	6	7	8
<i>Ordinary.</i>							
1-A. Land Revenue ..	822·00	821·00	814·00	812·95	- 9·05	- 8·05	- 1·05
1-B. Forest Revenue by Revenue Officers ..	1·60	1·60	1·88	1·52	-·08	-·08	·14
2. Forests ..	12·00	12·00	12·78	12·85	-·85	-·85	·48
3. Customs ..	105·00	108·00	95·00	91·66	-18·34	-11·34	- 3·84
<i>3-A. Excise Duty on</i>							
Matches ..	10·00	10·00	5·25	7·78	- 2·22	2·22	2·58
4-A. Excise ..	155·00	155·00	168·00	167·62	12·62	12·62	-·88
4-B. Opium and Ganja ..	15·50	15·50	14·80	18·59	- 1·91	- 1·91	- 1·21
5-A. Stamps ..	20·00	20·00	20·80	21·06	1·06	1·06	·76
5-B. Registration ..	3·00	3·00	3·00	3·09	·09	·09	·09
6. Mines ..	3·56	3·56	3·40	4·05	·49	·49	·65
6-A. Petrol Cess ..	3·25	3·25	3·25	1·49	- 1·76	- 1·76	- 1·76
7. Berar Rent ..	29·17	29·17	29·17	29·17	..	..	..
8-A. Interest ..	31·20	31·09	25·86	26·79	- 4·41	- 4·30	- 1·43
9. Mint ..	·50	·50	·50	·84	·34	·34	·34
10. Paper Currency ..	18·20	18·20	19·62	19·39	1·19	1·19	·28
11. Exchange ..	·85	·85	·20	1·06	·71	·71	·86
12. Post Office ..	11·65	11·55	12·08	12·66	1·01	1·11	·68
82. Irrigation ..	·80	·80	·84	·48	-·18	-·18	·09
88. Railways ..	106·80	105·41	107·82	109·52	3·22	4·11	1·70
84. Electricity ..	2·20	1·87	2·81	3·07	·87	1·20	·76
85. Workshop ..	..	·05	·15	..	..	·05	·15
87. Telephone ..	-·82	·82	-·82	..	·82	·82	·82
41. Miscellaneous ..	2·50	2·50	1·75	1·92	-·58	-·58	·17
Total (Ordinary) ..	852·96	848·58	839·79	842·01	-10·95	- 6·57	2·22
<i>Extraordinary.</i>							
Transfers from Famine							
Reserve ..		5·19	12·77	10·18		4·94	- 2·64
Industrial Reserve ..		1·02	1·00	1·07		·05	·07
Moiety Deptl. Balance lapsed to Govt. ..		9·00	9·00	9·00		..	..
Total (Extraordinary) ..		15·21	22·77	20·20		4·99	- 2·57
Grand Total ..		863·79	862·56	862·21		-1·58	·35

*Under-Estimates (Better Receipts)*Excise
12·62.

4. The actual realizations under this head amounted to 167·62. There was an improvement of 12·62 as compared with the Original Estimate. The increase is partly due to the introduction of the Madras system and partly to the collection of arrears of previous years.

Stamps
1·06.

5. The collections under this head amounted to 21·06 lakhs which was more by 1·06 than the Normal and the Original Estimate. The increase is mainly under Stamps for Jagirdars.

Mines
·49.

6. The realizations under this head amounted to 4·05 against 3·56 expected in the original estimates. The increase is mainly under the heads Royalty on Coal and Cement.

Paper Currency
1·19.

7. The increase under Paper Currency is mainly due to interest received on deposits with the Banks.

Exchange
·71.

8. Net gain on exchange with B.G. currency and Sterling amounted to ·88 and ·06 respectively. Fees for Supply Bills and Remittance Transfer Receipts were ·12. The total of 1·06 is ·71 better than the Original Estimate.

9. The increase in this head is mainly derived from sale of Stamps ·55, Post Office 1·11, and interest on the deposits of Savings Bank money with Government ·62. This was partly counterbalanced by a small decrease of ·06 under other heads.

10. Railway earnings received during 1344 F. for credit to Government amounted to 109·52 lakhs against the Budget Estimate of 105·41 lakhs resulting in a betterment of 4·11 lakhs. Railways 4·11.

11. After paying interest on Capital and retaining 35 per cent. of the profits for the benefit of the employees the net profits of the City Electricity for the year 1344 F. creditable to General Revenues amounted to 1·82 lakhs. Profits for 1342 F. amounting to 1·25 lakhs due from the City Electricity were also received during the year. Thus the total receipts amounted to 3·07 lakhs which is 1·20 lakhs more than the Estimate. Electricity 1·20.

12. Small increases under other heads aggregating 1·23 do not call for any remarks. Other Heads 1·23.

Over-Estimates (Less Receipts).

13. Against a Normal Estimate of 322 lakhs, the estimate fixed for the year was 321 lakhs. The Revised Estimate foreshadowed a considerable fall in the Revenue (7 lakhs). The actual realizations came to 312·95 lakhs. This was due to crop failures occasioned by unequal distribution of the rainfall, which was in excess of the average. Considerable remissions generally and suspensions in some districts had to be given in consequence. The falling-off from Estimate came to 8·05 lakhs. Land Revenue —8·05.

14. The Normal Estimate for the current triennium is 105·00 lakhs. The Estimate for the year (1344 F.) was fixed at 103·00 lakhs. This was reduced to 95·00 lakhs when framing the Revised Estimate. The actual realizations came to 91·66 which is 11·34 and 3·34 less than the Original and the Revised Estimates, respectively. There was considerable fall in Export Duty, the principal cause being the poor harvest of cotton and oil-seeds, and a contributory reason was the exemption of ground-nut oil from Export Duty. This exemption accelerated the export of duty-free ground-nut oil to the disadvantage of the export of duty-bound seed itself. Customs —11·34.

15. In the Budget for 1344 F. 10·00 were expected under this head. The share of the pooled receipts received from the British Government for the year ending 31st March 1935 amounted to B.G. Rs. 6·67 or O.S. Rs. 7·78 lakhs, which is 2·22 lakhs less than the Original Estimate. Excise Duty on Matches —2·22.

16. The decrease of 1·91 is comprised of 1·39 under sale of Opium and ·52 under sale of Ganja and Poisonous drugs, and is due to reduced consumption on account of economic depression. Opium & Ganja —1·91.

17. Petrol Cess received from the British Government was 1·49. This is the final payment for the share due for 1933-34. The first payment (1·05) was credited in the accounts for 1343 F. In comparison with the Estimate the Fasli year's receipts under this head are less by 1·76. Petrol Cess —1·76.

18. The gross amount of interest realized amounted to 62·46 or 5·03 less than the Original Estimate of 67·49. The main decreases occurred under Rupee Investments due to the fact that interest on certain holdings (3·05) was credited in the last days of 1343 F. instead of the early days of 1344 F. 2·33 lakhs were received less under interest on loans to Commercial Concerns and ·03 under other heads, total 5·41 lakhs. This was counterbalanced in part by increases under other heads ·38 and reduction in transfers to Reserves ·73. Interest —4·30.

19. The receipts under Major Head Miscellaneous were less by ·58 than the Estimate. Miscellaneous —·58.

20. The decreases under other heads are too small to call for any remarks. Other Heads —·13.

EXTRAORDINARY.

21. Transfers from Famine, Industrial Reserves and Moiety Departmental Balance amounted to 10·13, 1·07 and 9·00 against the Estimate of 5·19, 1·02 and 9·00, respectively.

SERVICE EXPENDITURE.

22. Savings carried to the credit of the Departments as well as those lapsed to Government, are shown in the statement below :—

Heads	Budget	Appropriations from Deptl. Balances	Transfers	Adjusted grants (Cols. 2, 3 & 4)	Actuals	Savings creditable to Depts.	Savings lapsed to Govt.
1	2	3	4	5	6	7	8
<i>(a) Ordinary.</i>							
1-A. Land Revenue ..	66·64	·82	1·26	68·22	66·15	·59	1·48
1-B. Land Irrigation ..	..	..	7·08	7·08	7·08	..	..
2. Forests ..	9·79	·98	·01	10·78	9·81	·68	·29
3. Customs ..	22·88	·95	·02	23·26	20·66	·58	2·02
4-A. Excise ..	34·96	·40	..	35·86	35·45	1·46	1·55
4-B. Opium and Ganja ..	1·21	..	..	1·21	1·08	..	·18
5-A. Stamps ..	1·27	·07	..	1·84	·98	·88	·02
5-B. Registration ..	1·69	..	..	1·69	1·69	·03	·08
6. Mines ..	·47	..	..	·47	·41	·02	·04
8-A. Interest ..	40·78	..	..	40·78	41·14	..	·41
8-B. Debt Redemption ..	18·50	..	..	18·50	18·50	..	..
9. Mint ..	1·76	..	..	1·76	1·61	·18	·08
10. Paper Currency ..	·76	·01	..	·77	·62	·18	·08
11. Exchange ..	1·80	..	..	1·80	·46	..	·84
12. Post Office ..	18·59	·88	·88	14·80	14·81	·65	1·16
12-A. Subsidy for Air Mail	·23	..	..	·23	·28	..	..
18. Payments to H.E.H.	50·00	..	..	50·00	50·00	..	..
18.A,B,C, & E. Princes Expd., etc.	8·98	..	6·91	15·84	16·11	..	·27
14. General Admn. ..	40·72	·92	1·42	48·06	41·15	2·16	·25
15. Political charges ..	5·79	·04	·18	6·01	5·98	·65	·57
16. Pensions ..	1·00	..	..	1·00	..	..	1·00
17. Life Insurance ..	·44	..	..	·44	·46	·05	·07
18. Mansabs ..	16·85	..	..	16·85	16·82	..	·08
19. Military ..	88·44	8·42	2·77	89·68	79·07	5·20	5·86
20. Courts ..	21·78	·21	·87	22·81	22·18	·97	·84
21. Jails ..	4·80	·02	·24	4·56	4·44	·02	·10
22. Police ..	67·71	·56	3·48	71·75	67·47	1·48	2·80
28. Education ..	88·45	6·21	20·82	114·98	106·41	8·25	·82
24. Medicine ..	27·08	2·88	·98	30·89	29·11	2·94	1·66
25. Religious ..	18·04	·48	·28	18·75	12·48	·62	·65
26. Agriculture ..	8·55	1·42	·08	9·89	7·94	1·45	·50
27. Veterinary ..	4·94	·79	·15	5·88	4·82	·52	·54
28. Co-operative ..	4·40	·28	..	4·68	4·06	·21	·86
29. Misc. & Minor Depts.	2·72	·18	·80	2·60	2·10	·28	·27
80. Munl. & Pub. Impts.	18·88	1·28	·01	20·05	17·87	2·02	·16
81. Buildings and Com.	91·30	25·87	88·80	88·87	40·98	88·82	8·57
82. Irrigation ..	22·10	4·14	10·66	15·58	9·86	6·88	·11
88. Railways ..	1·81	..	·01	1·82	1·19	·16	·47
84. Electricity ..	·22	..	..	·22	·19	..	·08
86. Printing ..	·94	·08	·01	·96	1·87	·91	..
88. Industrial ..	8·76	·88	·07	4·02	8·86	·66	..
40-A. Famine Insurance..	15·00	..	..	15·00	15·00	..	..
41. Miscellaneous ..	7·27	..	1·55	5·72	5·75	..	·08
41-B. Reserve for Reorgan- ization ..	·55	..	·84	·21	..	·21	..
Total (a) Ordinary ..	821·60	50·92	..	872·52	781·30	76·79	14·43

Heads	Budget	Appropriations from Deptl. Balances	Fresh grants	Adjusted grants (Cols. 2, 3 and 4)	Actuals	Savings creditable to Depts.	Savings lapsed to Govt.
1	2	3	4	5	6	7	8
<i>(b) Extraordinary From Current Revenues</i>							
3. Customs	·08	..	·17	·25	·25	..	..
4-A. Excise	·47	..	·25	·72	·68	..	·04
12. Post Office	·44	..	..	·44	..	·44	..
13. A, B, C. & D.	..	..	1·73	1·73	1·73	..	..
14. General Admn.	·83	..	·21	1·04	1·04	..	..
15. Political charges	..	..	·12	·12	·12	..	..
20. Courts	·14	..	·28	·42	·42	..	..
21. Jails	·51	..	..	·51	·45	·06	..
22. Police	·05	..	·11	·16	·16	..	..
23. Education	·54	..	·14	·68	·60	..	·08
25. Religious	..	..	·10	·10	·10	..	..
29. Miscellaneous and Minor Depts.	·75	..	·66	1·41	1·39	·02	..
30. Municipalities & Pub. Impts.	..	..	1·69	1·69	·40	1·29	..
31. Buildings	..	..	2·77	2·77	1·57	1·20	..
34. Electricity	..	..	·57	·57	·57	..	..
41-A. Miscellaneous	4·23	..	4·93	9·21	5·11	4·10	..
Total (b)	8·04	..	13·78	21·82	14·59	7·11	·12
<i>(c) From Past Surpluses.</i>							
23. Education	·39	..	..	·39	·10	·29	..
30. Municipalities & Pub. Impts.	14·69	..	..	14·69	11·76	2·93	..
31. Buildings	35·07	..	..	35·07	24·02	11·05	..
Total (c)	50·15	..	..	50·15	35·88	14·27	..
<i>(d) From</i>							
(1) Industrial Reserve	1·02	..	..	1·02	1·07	..	·05
(2) Famine Reserve	5·19	..	..	5·19	10·18	..	4·94
Total (d)	6·21	..	..	6·21	11·20	..	4·99
Grand Total	886·00	50·92	13·78	950·70	842·97	98·17	9·56

Transfers between heads (Column 4) of the first statement call for no remarks. The appropriations from Departmental Balances to various heads amounting to 50·92 were for Salaries and Allowances (4·25), Travelling Allowances (·91), Contingencies and Special Charges (16·01), Rent and Repairs (2·52), Works (27·23).

The additional amounts sanctioned in the course of the year after the Budget was passed came to 13·78 and is made up of :

- (i) Salaries and Allowances—Customs (·17), General Administration (·21), Political Department (·12), Courts (·28), Police (·11) and Education (·07).
- (ii) Tour Expenses of Princes—(1·73).
- (iii) T. A., Contingencies and Special Charges :—Excise (·25), Education (·07) and Religious (·10).
- (iv) Works—Buildings (2·77) and Municipalities and Public Improvements (1·69).
- (v) Wireless Broadcasting—Plant, etc. (·66).
- (vi) Electric Light Installation—Gulbarga (·57).

(vii) Donations and Subscriptions—(4·98), consisting of King George's Silver Jubilee Fund 2·33, Palestine University 1·17, Quetta Earthquake Relief Fund ·35, Tagore's Academy ·22, Madanapalle College ·06, Schools of Oriental Studies ·04, and other small amounts ·81.

23. The Balance to the credit of various departments at the close of the 1343 F. amounted to (101·05) lakhs. The accretions and withdrawals during 1344 F. were 98·17 and 50·92, respectively, leaving a balance of 148·30 to the credit of the departments at the close of 44 F. The balances of each department are shown in the following statement :—

Heads	Balance at the close of 1343 F.	Accretions in 1344 F.	Total	Expdr. in 1344 F.	Balance at the close of 1344 F.
1	2	3	4	5	6
1-A. Land Revenue ..	·09	·59	·68	·32	·36
2. Forests ..	·98	·68	1·66	·98	·68
3. Customs ..	1·03	·58	1·61	·95	·66
4-A. Excise ..	·39	1·46	1·85	·40	1·45
4-B. Opium and Ganja ..	·03	..	·03	..	·03
5-A.&B. Stamps & Regis. ..	1·54	·41	1·95	·07	1·88
6. Mines ..	·18	·02	·18	..	·18
9. Mint ..	1·10	·18	1·28	..	1·28
10. Paper Currency ..	·58	·18	·76	·01	·75
12. Post Office ..	·75	1·09	1·84	·38	1·51
14. General Administration ..	1·42	2·10	·74	·92	·18
15. Political charges ..	·22	·65	·87	·04	·83
17. Life Insurance ..	·08	·05	·13	..	·13
19. Military ..	9·30	5·20	14·50	3·42	11·08
20. Courts ..	·22	·97	1·19	·21	·98
21. Jails ..	·15	·08	·23	·02	·21
22. Police ..	·55	1·48	2·03	·56	1·47
23. Education ..	16·14	8·54	24·68	6·21	18·47
24. Medicine ..	1·89	2·94	4·83	2·33	2·50
25. Religious ..	·29	·62	·91	·48	·43
26. Agriculture ..	1·59	1·45	3·04	1·42	1·62
27. Veterinary ..	·79	·52	1·31	·79	·52
28. Co-operative ..	·42	·21	·63	·28	·40
29. Miscellaneous and Minor Departments. ..	·24	·25	·49	·18	·31
30. Municipalities & Public Improvements. ..	3·24	6·24	9·48	1·23	8·25
31. Buildings and Communications ..	52·68	51·07	103·75	25·37	78·38
32. Irrigation ..	5·51	6·33	11·84	4·14	7·70
33. Railways ..	·44	·16	·60	..	·60
34. Electricity ..	·02	..	·02	..	·02
35. Printing ..	1·22	·91	·31	·03	·28
36. Industrial ..	·83	·66	1·49	·33	1·16
41. Miscellaneous ..	..	4·10	4·10	..	4·10
41-B. Reserve for Re-organization. ..	..	·21	·21	..	·21
Total ..	101·05	98·17	199·22	50·92	148·30

[Statement.]

24. The accretions in 1844 F. amounting to 98·17 lakhs as shown in the foregoing table, are classified in the following statement :—

Major Heads	Salaries and allowances	T.A. & Tour charges	Cont. and Special charges	Receipts	Rents and Repairs	Works	Reserves	Total
1	2	3	4	5	6	7	8	9
1 A. Land Revenue ..	·24	·16	·17	·17	·17	..	·02	·59
2. Forests ..	..	·15	·29	..	·06	·18	..	·68
3. Customs ..	·02	·08	·88	..	·05	..	·05	·58
4-A. Excise ..	·06	·25	·84	..	·08	..	·28	1·46
5-A. Stamps ..	..	..	·88	..	..	..	..	·88
5-B. Registration ..	..	·01	·01	..	·01	..	..	·08
6. Mines ..	..	·01	·01	..	..	..	..	·02
9. Mint ..	·06	..	·09	..	·08	..	..	·18
10. Paper Currency ..	..	·01	·17	..	..	..	..	·18
12. Post Office ..	·38	·04	·71	..	·01	..	..	1·09
14. General Administration ..	·49	·50	·72	·15	·08	..	·22	2·16
15. Political charges ..	..	·02	·59	..	·08	..	·01	·65
17. Life Insurance ..	..	..	·05	..	..	..	..	·05
19. Military ..	1·58	·14	3·09	·27	·08	..	·09	5·20
20. Courts ..	·05	·07	·49	·28	·13	..	..	·97
21. Jails ..	..	..	·08	..	..	..	..	·08
22. Police ..	·28	·36	·61	·12	·10	..	·01	1·48
23. Education ..	·26	·12	3·09	·91	·83	..	3·83	8·54
24. Medical ..	·08	·08	·80	·20	·08	..	1·70	2·94
25. Religious ..	·07	·02	·21	·02	..	..	·80	·62
26. Agriculture ..	·11	·09	·70	·46	·04	..	·05	1·45
27. Veterinary ..	·04	·09	·88	·05	·06	..	..	·52
28. Co-operative ..	..	·04	·06	..	·04	..	·07	·21
29. Misc. & Minor Depts. ..	..	..	·20	·01	..	..	·04	·25
30. Muncpl. & Pub. Impts. ..	·04	·05	·04	·88	..	5·88	..	6·24
31. Buildings & Commns. ..	·40	·09	·28	·37	·02	49·82	·09	51·07
32. Irrigation ..	·52	..	..	..	·01	6·84	..	6·38
33. Railways ..	..	..	·16	..	..	..	..	·16
36. Printing ..	..	..	..	·91	..	..	..	·91
38. Industrial ..	·08	·02	·40	..	·03	..	·18	·66
41. Miscellaneous ..	..	..	..	..	..	..	4·10	4·10
41-B. Reserve for Reorganization ..	..	..	..	..	..	..	·21	·21
Total ..	3·57	2·30	15·00	1·94	1·94	62·72	10·70	98·17

25. The following is the analysis of the savings of 9·56 lakhs shown in the statement in para 22. as having lapsed to Government under the Departmentalization Rules :—

Heads	Salaries, Allowances and Pensions	Others	Total
1	2	3	4
<i>Ordinary.</i>			
1-A. Land Revenue	·81	·67	1·48
2. Forests	·29	..	·29
3. Customs	2·05	·08	2·02
4-A. Excise	·98	2·58	1·55
4-B. Opium & Ganja	·01	·12	·18
5-A. Stamps	·02	..	·02
5-B. Registration	·08	..	·08
6. Mines	·04	..	·04
8-A. Interest .. .. .	..	·41	·41
9. Mint	·08	..	·08
10. Paper Currency	·08	..	·08
11. Exchange .. .. .	..	84	84
12. Post Office	·70	·46	1·16
18. A, B, C & D... .. .	..	·27	·27
14. General Administration	·25	..	·25
15. Political Charges	·57	..	·57
16. Pensions	1·00	..	1·00
17. Life Insurance	·07	..	·07
18. Mansabs .. .. .	..	·08	·08
19. Military	5·86	..	5·86
20. Courts	·84	..	·84
21. Jails	·10	..	·10
22. Police	2·80	..	2·80
28. Education	·82	..	·82
24. Medical	1·66	..	1·66
25. Religious	·67	·02	·65
26. Agriculture	·50	..	·50
27. Veterinary	·54	..	·54
28. Co-operative	·86	..	·86
29. Misc. & Minor Depts	·27	..	·27
30. Municipalities & Public Improvements	·08	·18	·16
31. Buildings & Communications	1·81	2·26	3·57
32. Irrigation	·11	..	·11
38. Railways	·01	·46	·47
34. Electricity	·08	..	·08
41. Miscellaneous .. .. .	..	·08	·08
Total (Ordinary) ..	13·67	·76	14·43
<i>B—Extraordinary.</i>			
<i>From Current revenues</i>			
4-A. Excise .. .. .	..	·04	·04
28. Education .. .. .	..	·08	·08
Total (B) ..	..	·12	·12
<i>D—Transfers from Reserve.</i>			
16. Industrial Reserve .. .. .	..	·05	·05
29. Famine Reserve .. .. .	..	4·94	4·94
Total (D) ..	..	4·99	4·99
Grand Total ..	13·67	4·11	9·56

B.—CAPITAL EXPENDITURE.

26. The actual expenditure charged to Capital Heads was 21·49 against the Estimate of 46·88. The details by Heads are given below :—

	Heads	Estimate	Actuals
Irrigation	16·22	7·10
Railway Constructions	18·83	5·97
do Compensation	·80	·22
Electricity (City)	3·00	2·98
Do (Districts)	2·76	3·05
Printing	1·67	·66
Telephone (City)	·57	·32
Do (Districts)	·03	·01
Residential Buildings for Officers	3·00	·19
Commutation of Pensions	·96
Do Mansabs	·03
	Total ..	46·88	21·49

On the receipt side the transfer on account of amount of annual saving of pensions commuted amounted to ·04 lakh.

C.—INVESTMENTS.

27. The following Investments were made during the year :—

(1) 3 and 3½ per cent. Government of India Securities	·07
(2) Bombay Talkies, Co. Shares	·87
Total ..	·94

D.—DEBT HEADS.

28. The Debt Head transactions resulted in net Incomings of 191·72 against the estimated net Incomings of 44·10. The variations are tabulated below :—

Heads	ESTIMATE 1844 FASLI			ACTUALS 1844 FASLI			Net Difference
	Receipts	Disbursements	Net	Receipts	Disbursements	Net	
1	2	3	4	5	6	7	8
M. Government Debt	..	2·94	— 2·94	144·41	·40	144·01	146·95
N. Reserves ..	73·01	11·12	61·89	48·61	18·35	35·26	— 26·63
O. Deposits bearing Interest ..	21·89	..	21·89	243·24	221·05	22·19	·80
P. Deposits not bearing Interest ..	5·69	6·00	—·31	298·67	291·48	2·19	2·50
Q. 1-Departmental Balances ..	18·80	70·45	—52·15	98·17	83·57	14·60	66·75
Q. 2-Govt. Share of Moiety Balance ..	45·10	9·00	36·10	32·65	9·00	23·65	— 12·45
R. Advances bearing Interest ..	5·10	22·10	—17·00	11·71	29·07	—17·36	—·86
S. Advances not bearing Interest ..	3·70	5·37	— 1·67	18·22	37·06	— 23·84	— 22·17
T. Remittances ..	..	..	..	..	2·65	— 2·65	— 2·65
U. Suspense and Cheques uncashed.	..	1·71	— 1·71	..	6·38	— 6·38	— 4·62
Total ..	172·79	128·69	44·10	885·68	693·96	191·72	147·62

M. Government.
Debt : 146·95

29. The scrip of matured loans tendered for payment during the year amounted to ·40 lakh against an estimate of 2·94 which gave a betterment of 2·54. Subscription for the 3½ per cent. loan 1355-65 Fasli raised during the year amounted to 144·41 lakhs. The total improvement thus came to 146·95.

N. Reserves
—26·63.

30. In the Estimates it was anticipated that the Incomings would exceed the Outgoings by 61·89. In the Actuals the excess of Incomings over the Outgoings amounted to 35·26 resulting in a decrease of 26·63. This is mainly due to the fact that 5 per cent. Securities of Famine and Debt Redemption Reserves maturing this year were converted into 3 per cent. Securities (New Issue) instead of being encashed as anticipated in the Budget.

The following statement exhibits the details under each reserve :—

Heads	BUDGET			ACTUALS		
	In-comings	Out-goings	Net	In-comings	Out-goings	Net
1	2	3	4	5	6	7
Famine Insurance Reserve ..	37·97	5·18	32·79	24·16	11·87	12·29
Debt Redemption Reserve ..	31·69	2·94	28·75	19·10	·40	18·70
O. S. Stabilization Reserve ..	..	..	..	·04	·01	·03
Industrial Reserve ..	3·85	3·00	·85	5·31	1·07	4·24
Total ..	73·01	11·12	61·89	48·61	13·35	35·26

31. In the Estimate, the net Incomings were under Life Insurance Fund (7·50), Postal Savings Banks (10·00) and Depreciation Funds, etc. (4·39), total (21·89). In the Actuals the net Incomings were—under Life Insurance (7·14), Savings Banks (14·13), Depreciation Funds, etc. (6·71) and other Deposits (·59), total, (28·57). On the other hand the net Outgoings under the Railway and other Deposits amounted to (6·38) resulting in net excess Incomings of 22·19 or ·30 more than the Estimate.

O. Deposits bearing Interest —30.

32. In the Actuals the excess Incomings were under Local Funds (1·10), Dress Funds (·96), Villages under attachment (·90), Excise Duty on Matches (1·84), Personal and Temporary Deposits (1·88) and others (1·51), total (8·19). On the other hand the excess Outgoings were—under Municipalities (1·47), Court of Wards (2·24), others (2·29), total (6·00). Thus there were excess Incomings of 2·19 which are 2·50 more than the estimated net Outgoing of ·31.

P. Deposits not bearing Interest —2·50.

33. In the Estimates a net Outgoing of 52·15 was provided. In the Actuals the Departmental Balances carried to the credit of the departments amounted to 98·17. The expenditure from Savings during the year amounted to 50·92 and the Moiety Balance creditable to Government Account was 32·65, total 83·57. Thus the net Incoming of 14·60 is 66·75 more than the estimated Outgoing of 52·15.

Q-1. Departmental Balance 66·75.

34. The Moiety Departmental Balance creditable to Government amounted to 32·65 against the estimate of 45·10.

Q-2. Government Moiety Account 12·45.

35. It was estimated that the Outgoings would exceed the Incomings by 17·00. In the Actuals the recoveries out of previous advances are from Jagirdars (3·77), Motor Loans (1·77), House Buildings (3·35), Loans to Students (·97), others (1·85), total (11·71). On the other hand fresh advances are—under Jagirdars (6·83), Revenue Takavis (3·35), Motor and House Building Loans (3·05), Loans to Students (1·12), loans to Sahukars (13·50), others (1·22), total (29·07). Thus the total Outgoings exceeded the Incomings by 17·36 or ·36 more than the Budget Estimate.

R. Advances bearing Interest —·36.

36. Net Outgoings were estimated at 1·67. The Actuals show a net Outgoing of 23·84 which compared with the Budget resulted in an excess Outgoing of 22·17. This is principally due to salaries for Aban (the last month of the year) being paid in advance. The statement below gives details :

S. Advances not bearing Interest — 22·17.

Heads	INCOMINGS		OUTGOINGS	
	Budget	Actuals	Budget	Actuals
1	2	3	4	5
Permanent Advances
Advances to Depts
Personal Advances
Accounts with Imperial Govt.
Coinage Accounts
Revenue and Famine Takavis
Jagir Survey
Others
Total	3·70	13·22	5·37	37·06

37. In the Estimate it was assumed as usual that the Incomings would balance the Outgoings. In the Actuals there were excess Outgoings under Sarf-i-Khas Remittances (6·20) and Departmental Remittances (1·93), total (8·13). On the other hand there were excess Incomings under Cash Remittances (2·04), Remittances by Bills (3·44), total (5·48); thus the excess of Outgoings over the Incomings was (2·65).

T.—Remittances —2·65.

38. The Debits under Suspense and Cheques exceeded the credits by 6·83, which is more by 4·62 than the estimated Outgoing of 1·71.

U. Suspense and Cheques uncashed —4·62.

E—CASH BALANCE.

39. The financial position at the close of the year is exhibited in the statement below :—

Heads	RECEIPTS			Heads	EXPENDITURE		
	Budget	Actuals	Difference		Budget	Actuals	Difference
1	2	3	4	5	6	7	8
Service Heads ..	854·79	853·21	— 1·58	Service Expenditure:—			
Deptl. Balce. trans. for Exr.	25·35	50·92	25·57	From Current Revenues..	885·85	756·17	— 79·68
				From Deptl. Balance ..	25·35	50·92	25·57
Govt. Share of Moiety brought forward ..	9·00	9·00	..	From Past Surpluses .	50·15	35·88	— 14·27
Capital outlay recovered ..	..	·04	·04	Deptl. Balce. charged to Service Grants ..	..	98·17	98·17
Debt Heads .	172·79	885·68	712·89	Capital Expr. ..	46·88	21·49	— 25·39
				Investments. Debt Heads.	128·69	698·96	565·27
Total ..	1,061·93	1,798·85	736·92	Total ..	1,086·92	1,657·53	570·61
Opening Balance..	104·64	164·59	59·95	Closing Balance ..	79·65	305·91	226·26
Grand Total ..	1,166·57	1,963·44	796·87	Grand Total..	1,166·57	1,963·44	796·87

PART II.

Revised Estimates for 1345 Fasli.

A. SERVICE HEADS.

1. A comparison of Budget Estimates of Receipts and Expenditure for 1345 F. with those of the Revised according to the data available in the course of the year is shown below :—

Heads	Normal	Budget	Revised estimate	DIFFERENCE COMPARED WITH	
				Normal	Budget
1	2	3	4	5	6
Receipts	852·96	855·92	878·18	20·22	17·26
(a) Ordinary Expenditure	824·11	843·40	821·18	2·93	22·22
(b) Extraordinary Expenditure from Current Revenues	..	9·01	37·49	—37·49	—28·48
Total	824·11	852·41	858·67	34·56	6·26
<i>Deduct met from Deptl. Balances</i>	..	12·95	76·46	76·46	63·51
Net : from Current Revenues	824·11	839·46	782·21	41·90	57·25
(c) <i>Add : Deptl. Balances carried to Deptl. Accts.</i>	..	..	69·89	—69·89	69·89
Total Expenditure	824·11	839·46	852·10	—27·99	12·64
Surplus	28·85	16·46	21·08	—7·77	4·62

2. The expenditure met by transfers from the Famine and Industrial Reserves was estimated at 17·06 and ·92 respectively. It is now expected to amount to 12·31 and 1·50, respectively. Expenditure expected to be met from balances at the credit of Departments is 76·46 against the Budget Estimate of 12·95. Extraordinary expenditure from Current Revenues is anticipated at 37·49 against 9·01 provided in the Budget.

[Statement.

REVENUE RECEIPTS.

3. The probable variations in Normal, Budget and Revised Estimates for Revenue Receipts are shown in the following statement :—

Major Heads	Normal	Budget	Revised	COMPARED WITH	
				Normal	Budget
1	2	3	4	5	6
<i>Ordinary.</i>					
1-A. Land Revenue ..	322·00	325·00	330·00	8·00	5·00
1-B. Forest by Rev. Officers ..	1·60	1·60	1·60	..	..
2. Forests ..	12·00	18·00	12·00	..	1·00
3. Customs ..	105·00	95·00	105·00	..	10·00
3-A. Excise duty on Matches ..	10·00	10·00	8·00	2·00	2·00
4-A. Excise ..	155·00	165·00	169·50	14·50	4·50
4-B. Opium and Ganja ..	15·50	15·50	18·30	2·20	2·20
5-A. Stamps ..	20·00	20·65	20·50	·50	·15
5-B. Registration ..	3·00	3·00	3·25	·25	·25
6. Mines ..	3·56	3·62	4·00	·44	·88
6-A. Petrol Cess ..	3·25	3·00	2·81	·44	·19
7. Berar Rent ..	29·17	29·17	29·17	..	..
8-A. Interest ..	31·20	27·47	29·07	2·13	1·60
9. Mint ..	·50	·50	·80	·30	·30
10. Paper Currency ..	18·20	19·20	19·20	1·00	..
11. Exchange ..	·85	·85	·55	·20	·20
12. Post-office ..	11·65	12·00	12·90	1·25	·90
32. Irrigation ..	·30	·30	·30	..	..
33. Railways ..	106·80	108·86	106·43	·13	1·93
34. Electricity ..	2·20	1·00	1·70	·50	·70
35. Workshop ..	..	·10	..	..	·10
37. Telephone ..	·32	·20	..	·2	·20
41. Miscellaneous ..	2·50	2·50	3·10	·60	·60
Total Ordinary ..	852·96	855·92	873·18	20·22	17·26
<i>Extraordinary.</i>					
Transfer from Famine Reserve ..		17·06	12·31		4·75
" Industrial Reserve ..		·92	1·50		·58
Total (Extraordinary) ..		17·98	13·81		4·17
Grand Total ..		873·90	886·99		13·09

4. The Ordinary Receipts for 1345 F. are anticipated to amount to 873·18 against the Budget Estimate of 855·92. This means an increase of 17·26 over the Original Estimate. The increase of 5·00 under Land Revenue, of 10·00 under Customs and of 4·50 under Excise indicate the turning of corner and setting in of gradual though slow improvement in the economic condition. These principal increases amounting to 19·50 have however been partly counterbalanced by variations under various heads amounting to 2·24.

SERVICE EXPENDITURE.

5. The variations in the Budget and Revised Estimates of Expenditure and the amount expected to be transferred to the credit of the Departments and the savings expected to lapse to General Revenues are shown in the following statement :—

Heads	Budget	Appropriations from Deptl. balances	Transfers	Adjusted Grants	Revised	Deptl. Savings	Net Savings
1	2	3	4	5	6	7	8
<i>(a) Ordinary.</i>							
1-A. Land Revenue ..	66·66	·43	..	67·09	64·67	·78	1·64
1-B. Land Irrigation ..	..	..	7·04	7·04	7·04	..	..
2. Forests ..	10·37	·50	..	10·87	9·74	·92	·21
3. Customs ..	22·05	·50	— ·23	22·32	20·49	·80	1·03
4-A. Excise ..	35·36	·58	— ·02	35·92	35·45	·99	·52
4-B. Opium & Ganja ..	1·19	..	..	1·19	·98	..	·21
5-A. Stamps ..	1·31	·06	..	1·37	1·21	·16	..
5-B. Registration ..	1·69	..	..	1·69	1·65	·04	..
6. Mines ..	·46	·02	..	·48	·40	·08	·05
8-A. Interest ..	44·76	..	..	44·76	42·23	..	2·53
8-B. Debt Redemption ..	18·68	..	..	18·68	18·68	..	..
9. Mint ..	1·63	..	— ·17	1·46	1·33	·13	..
10. Paper Currency ..	·76	·60	..	1·36	1·09	·27	..
11. Exchange ..	·55	..	..	·55	·42	..	·13
12. Post-office ..	14·00	·25	..	14·25	14·12	·78	·65
12-A. Subsidy for Air Mail ..	·23	..	..	·23	·23	..	..
13. Paymts. to H.E.H. ..	50·00	..	..	50·00	50·00	..	..
18-A, B, C & D : Princes' Expdr., etc.	8·75	·03	·03	8·81	8·78	·03	..
14. Genl. Admn. ..	41·91	·63	·44	42·98	40·61	1·82	·55
15. Political charges ..	5·68	·59	·10	6·37	5·86	·41	·10
17. Life Insurance ..	·43	·01	..	·44	·39	·05	..
18. Mansabs ..	16·25	..	..	16·25	16·03	..	·22
19. Military ..	84·04	5·24	— ·22	89·06	79·04	5·42	4·60
20. Courts ..	22·21	·80	..	23·01	22·23	·78	..
21. Jails ..	4·32	·08	— ·04	4·36	4·27	·04	·05
22. Police ..	67·62	·80	— ·03	68·39	65·17	1·41	1·81
23. Education ..	88·67	11·21	— ·45	99·43	91·87	7·56	..
24. Medicine ..	27·00	2·14	— ·07	29·07	27·02	1·84	·21
25. Religious ..	13·23	·45	..	13·68	12·28	·51	·89
26. Agriculture ..	8·60	1·62	— ·01	10·21	8·73	·83	·63
27. Veterinary ..	4·93	·50	— ·06	5·37	4·52	·68	·22
28. Co-operative ..	4·26	·08	..	4·29	3·70	·33	·26
29. Misc. and Minor Depts. ..	3·05	·14	·05	3·24	2·94	·19	·11
30. Mun. and Pub. Impts. ..	18·33	6·80	·07	25·70	19·97	5·69	·04
31. Buildings & Comn. ..	88·49	37·33	1·57	127·39	99·24	27·50	·65
32. Irrigation ..	23·31	..	— 7·04	16·27	11·20	5·07	..
33. Railways ..	1·78	..	·03	1·81	1·26	·05	·50
34. Electricity ..	·22	..	..	·22	·22	..	..
36. Printing ..	·94	·37	..	1·31	1·22	·09	..
38. Industrial ..	3·64	·65	..	4·29	3·80	·49	..
40-B. Famine Insurance ..	15·00	..	..	15·00	15·00	..	..
41-A. Miscellaneous ..	7·20	4·10	— ·90	10·40	6·10	3·43	·87
41-B. Reserve for Reorganization & Developmt. ..	·39	..	— ·09	·30	..	·30	..
Total (a) Ordinary	830·45	76·46	..	906·91	821·8	69·37	16·36

Heads	Budget	Appropriations from Deptl. balances	Fresh sanctions	Adjusted grants	Revised	Deptl. Savings	Net Savings
1	2	3	4	5	6	7	8
<i>Extraordinary.</i>							
<i>(a) From Current Revenues.</i>							
1-A. Land Revenue ..	..	..	·60	·60	·60	..	..
4-A. Excise ..	·46	..	·62	1·08	1·08	..	..
13. A, B, C & D. ..	..	..	18·25	18·25	18·25	..	..
14. Genl. Admn. ..	·56	..	·67	1·28	1·28	..	..
15. Political charges ..	..	..	·02	·02	·02	..	..
20. Courts ..	·04	..	·48	·47	·47	..	..
22. Police ..	..	..	·12	·12	·12	..	..
23. Education ..	·54	..	·07	·61	·61	..	..
24. Medical ..	..	..	1·43	1·43	1·43	..	..
25. Religious ..	..	..	·15	·15	·15	..	..
29. Misc. & Minor Depts. ..	·35	..	4·77	5·12	4·80	·82	..
30. Mun. & Pub. Impts. ..	7·03	..	1·97	9·00	9·00	..	..
31. Buildings ..	..	..	1·42	1·42	1·22	·20	..
41-A. Miscellaneous ..	·03	..	3·48	3·51	3·51	..	..
Total (a) ..	9·01	..	29·00	38·01	37·49	·52	..
<i>(b) From Reserves :</i>							
Industrial Reserves	·92	..	..	·92	1·50	..	·58
Famine Reserve.	17·06	..	..	17·06	12·81	..	4·75
Total (b) ..	17·98	..	..	17·98	13·81	..	4·17
Grand Total	857·44	76·46	29·00	962·90	872·48	69·89	20·53

6. In the Budget the total amount appropriated from Departmental Balances for expenditure was estimated at 12·95. Further withdrawals during the year are estimated at 63·51 making a total of 76·46 (vide column 8 of statement in para 5).

The following statement shows details by Departments :—

Heads	Budget	Further with- drawals	Total
1	2	3	4
1-A. Land Revenue	·19	·24	·43
2. Forests	·23	·27	·50
3. Customs	·20	·30	·50
4-A. Excise	·26	·32	·58
5-A. Stamps .. .. .	..	·06	·06
6. Mincs .. .. .	..	·02	·02
10. Paper Currency	·50	·10	·60
12. Post Office .. .. .	..	·25	·25
13. A, B, C & D:	·03	..	·03
14. General Administration	·15	·48	·63
15. Political charges .. .. .	..	·59	·59
17. Life Insurance .. .. .	..	·01	·01
19. Military	·42	4·82	5·24
20. Courts	·29	·51	·80
21. Jails	·04	·04	·08
22. Police	·17	·63	·80
23. Education	1·96	9·25	11·21
24. Medical	·92	1·22	2·14
25. Religious	·39	·06	·45
26. Agriculture	·28	1·34	1·62
27. Veterinary	·17	·33	·50
28. Co-operative .. .. .	..	·03	·03
29. Miscellaneous and Minor Departments	·01	·13	·14
30. Muni. and Public Impts.	2·53	4·27	6·80
31. Buildings and Communications .. .. .	..	37·33	37·33
36. Printing .. .. .	..	·37	·37
38. Industrial	·11	·54	·65
41. Miscellaneous	4·10	..	4·10
Total	12·95	63·51	76·46

7. Extraordinary expenditure from Current Revenues not provided in the Budget amounted to 29·00 lakhs for the following purposes :—

Land Revenue—Furniture and tents, etc. (·60); *Excise*—Salaries, Contingencies and Special charges (·62); *Princes' Expenditure, etc.*—Tours (6·55), Repayment of Debts (5·56), Miscellaneous (·76), Silver Jubilee (·38); *General Administration*—Salaries, Allowances and Contingencies (·67); *Political charges*—Salaries (·02); *Courts*—Salaries and Diet to Witnesses (·43); *Police*—Salaries (·12); *Education*—Salaries and Grants (·07); *Medical*—Epidemic Prevention, Medical Inspection of Schools, Allowances, etc. (1·43); *Religious*—Buildings (·15); *Minor Departments*—Construction of Aviation Buildings and Radio Transmitting Station, and Broadcasting Equipment, etc. (4·77); *Municipalities and Public Improvements*—Compensation of land taken for Himayat Sagar (1·97); *Buildings and Communications*—Royal Palaces (1·13), Roads Maintenance (·29); *Miscellaneous*—Subscriptions and Donations and Special Counsel fees (3·48).

B.—CAPITAL EXPENDITURE.

8. Against the budgetted provision of 72·43 the expenditure is expected to be 73·26. The details are given below :—

Heads	Budget 1345 F.	Revised 1345 F.
Irrigation	12·78	9·16
Railway Construction	42·28	42·28
Do Compensation	·80	·48
Electricity (City)	6·00	6·00
Do (Districts)	·60	9·06
Printing	1·42	·50
Telephone (City)	·30	·30
Do (Districts)	·05	·05
Residential Buildings for Officers	3·00	·60
Commutation of Pensions	3·00	2·63
Do Mansabs	2·20	2·20
Total ..	72·43	73·26

Receipts on account of commutation of pensions and mansabs are expected to amount to ·20.

C.—INVESTMENTS.

9. The following investments amounting to 176·63 were made during the year :—

2½ per cent. Government Paper 100·00 lakhs	116·67
3½ Do do 50·00 lakhs	57·34
Aeronautical Training Centre, New Delhi Shares B.G. Rs. 50,000	·58
Osman Shahi Mills shares for B.G. 2 lakhs	2·04
Total ..	176·63

Out of the above, 149·50 lakhs were allotted to Reserves as follows :—

Face-value (B.G.)	Amount
53·00 Debt Redemption Reserve	60·84
35·00 Famine Reserve	40·83
5·00 O.S. Stabilization Reserve	5·83
36·00 Paper Currency Reserve	42·00
Total ..	149·50

The balance of 27·13 lakhs has been allotted to the General Reserve for which the General Balances are debited.

On the Receipt side this head records a credit of ·13 on account of the Municipal and Port Trust Debentures of B.G. (·11) matured for repayment.

D.—DEBT HEADS.

10. The results of estimated Incomings and Outgoings under Debt Heads are compared below :—

Heads	ESTIMATE			REVISED			Net Difference
	Receipts	Disbursements	Net	Receipts	Disbursements	Net	
1	2	3	4	5	6	7	8
M. Government Debt ..	..	2·77	— 2·77	..	·40	— ·40	2·87
N. Reserves ..	51·82	22·88	28·99	55·15	129·48	—74·33	—108·82
O. Deposits bearing Interest ..	25·97	..	25·97	28·80	5·15	23·65	2·82
P. Deposits not bearing Interest ..	5·77	8·87	3·10	5·70	9·00	— 3·30	·20
Q. Deptl. Balces:	..	12·95	—12·95	69·89	76·46	— 6·57	6·88
R. Advances bearing Interest ..	4·30	9·84	— 5·54	8·50	19·50	—11·00	5·46
S. Advances not bearing Interest	3·70	3·55	·15	24·30	3·20	21·10	20·95
U. Suspense & Cheques. ..	..	..	..	2·08	..	2·08	2·08
Total ..	91·56	60·81	30·75	194·42	243·19	—48·77	—79·52

11. The script presented for repayment is expected to amount to ^{Government Debt} 40 which is less by 2·37 than the Estimated Outgoing of 2·77. _{2·37.}

12. The Budget estimated a net incoming of 28·99. In the Revised ^{Reserves} the Outgoings are expected to exceed the Incomings by 74·33 showing a _{—103·32.} variation of 103·32 as compared with the Original Estimate mainly on account of investments.

The following statement exhibits the details under each Reserve :—

Heads	BUDGET			REVISED		
	In-comings	Out-goings	Net	In-comings	Out-goings	Net
1	2	3	4	5	6	7
Famine Reserve ..	24·11	17·06	7·05	25·77	54·65	—28·88
Debt Redemption Reserve ..	23·86	2·77	21·09	24·61	61·24	—36·68
Industrial Reserve ..	3·85	3·00	·85	4·74	7·75	— 3·01
O.S. Stabilization Reserve ..	..	..	..	·03	5·84	— 5·81
Total ..	51·82	22·83	28·99	55·15	129·48	—74·33

13. The net Incomings are expected to be under Life Insurance Fund ^{Deposits bearing} (7·00), Depreciation and other funds (6·80), Savings Banks (15·00), total _{Interest} (28·80). On the other hand the net Outgoings under Railway and other _{—2·32.} Deposits are expected to be 5·15. The result is a net Incoming of 23·65 which is less than the estimate by 2·82.

Deposits not bearing interest
—5·20.

14. In the Budget the net Outgoings were estimated at 8·10. In the Revised the Incomings would be—Court of Wards Deposits (2·00), Municipalities (1·00), Excise Duty on Matches (2·30), and Government Account (·40), total (5·70). On the other hand the Outgoings are expected to be—Local Funds (2·00) and Personal and Temporary Deposits (7·00), total (9·00). The result is an increase in the net Outgoings by (·20).

Deptl. Balances
6·38.

15. The Budget estimated an Outgoing of 12·95. In the Revised the expenditure from Savings is expected to rise to 76·46. On the other hand the Departmental Balances to be taken to the credit of Departments are anticipated at 69·89. Thus the net Outgoings (6·57) are less than the estimate by 6·38.

Advances bearing interest
—5·46.

16. The net Outgoings were estimated at 5·54. In the Revised the Outgoings are expected to exceed the Incomings by 11·00 which is 5·46 more than the estimate, mainly on account of loans to Jagirdars.

Advances not bearing interest
20·95.

17. In the Budget the Incomings were expected to exceed the Outgoings by ·15. In the Revised the excess of Incomings over the Outgoings is expected to be 21·10, or 20·95 more than the estimate. This is due to adjustment of salaries for Aban 1344 F. which were paid in advance.

Suspense and Cheques
2·08.

18. The credits under Suspense and Cheques are expected to exceed the debits by 2·08.

E.—CASH BALANCE.

19. The position expected at the end of the year is shown in the following statement :—

Heads	RECEIPTS			Heads	DISBURSEMENTS		
	Original	Revised	Difference		Original	Revised	Difference
1	2	3	4	5	6	7	8
Service Heads ..	873·90	886·99	13·09	Service Expenditure:— From Current Revenues ..	857·44	796·02	61·42
Deptl. Balce. brought forward for Expenditure ..	12·95	73·46	60·51	From Deptl. Balance ..	12·95	76·46	63·51
Capital Outlay Recovered ..	·27	·20	·07	Deptl. Balce. charged to Service Expr. Capital Expr. ..	·	69·89	69·89
Investments.	..	·13	·13	Capital Expr. ..	72·48	73·26	·88
Debt Heads.	91·56	194·42	102·86	Investments	..	27·18	27·18
Total ..	978·68	1,158·20	179·52	Debt Heads.	60·81	248·19	187·38
Opening Balance.	292·07	305·91	13·84	Total ..	1,003·63	1,285·95	282·32
Grand Total ..	1,270·75	1,464·11	193·36	Closing Balance..	267·12	178·16	—88·96
				Grand Total ..	1,270·75	1,464·11	193·36

PART III.

Budget Estimates for 1346 F.

The following statement compares the Estimates for Receipts and Expenditure from Current Revenues for 1346 F. with those for 1345 F., and the Normal for the triennium 1344-46 F. As usual it excludes the figures of Receipts and Expenditure from Reserves and the Expenditure that Departments would incur from their accrued balances :—

Heads	Normal 1344-46 Fash	BUDGET		DIFFERENCE BETWEEN	
		1345 F.	1346 F.	Cols. 2 & 4.	Cols. 3 & 4.
1	2	3	4	5	6
Service Receipts ..	852·96	855·92	869·56	16·60	13·64
Service Expenditure					
From Current Revenues					
(a) Ordinary ..	824·11	830·45	888·10	18·99	7·65
(b) Extraordinary ..	..	9·01	9·28	9·28	·27
Total ..	824·11	839·46	847·88	23·27	7·92
Surplus ..	28·85	16·46	22·18	6·67	5·72

2. The Estimates for the Receipts for 1346 F. are better than the Normal and the Budget 1345 F. by 16·60 and 13·64, respectively. After providing 15·00 lakhs for the Famine Reserve and 18·68 for the Debt Redemption Reserve the Surplus will be 22·18 which is 6·67 less than the Normal, but 5·72 more than the Budget 1345 F.

3. The provision made for Expenditure met by Transfers from Famine Reserve, Industrial Reserve and Departmental Balances is 11·51, 1·00 and 10·05, respectively, against 17·06, ·92 and 12·95 provided in the Budget for 1345 F.

[Statement.]

REVENUE RECEIPTS.

4. The following statement exhibits the variations of Receipts under the different Major Heads.

Major Heads	NORMALS		BUDGET		VARIATIONS	
	1844-46 Fasli	1845 F.	1846 F.	Cols. 2 & 4	Cols. 3 & 4	
1	2	3	4	5	6	
<i>Ordinary.</i>						
1-A. Land Revenue ..	822·00	825·00	825·00	3·00	..	
1-B. Forest by Land Revenue ..	1·60	1·60	1·60	..	..
2. Forests ..	12·00	13·00	13·00	1·00	..	
3. Customs ..	105·00	95·00	101·35	3·65	6·35	
3-A. Excise duty on						
Matches ..	10·00	10·00	8·00	2·00	2·00	
4-A. Excise ..	155·00	165·00	165·00	10·00	..	
4-B. Opium and Ganja ..	15·50	15·50	15·16	·84	·84	
5-A. Stamps ..	20·00	20·65	21·00	1·00	·85	
5-B. Registration ..	3·00	3·00	3·10	·10	·10	
6. Mines ..	3·56	3·62	4·00	·44	·88	
6-A. Petrol Cess ..	3·25	3·00	3·00	·25	..	
6-B. Vehicle Tax ..	..	..	2·60	2·60	2·60
7. Berar Rent ..	29·17	29·17	29·17	..	..
8-A. Interest ..	31·20	27·47	30·73	·47	3·26	
9. Mint ..	·50	·50	·80	·30	·80	
10. Paper Currency ..	18·20	19·20	20·35	2·15	1·15	
11. Exchange ..	·85	·85	·50	·15	·15	
12. Post Office ..	11·65	12·00	13·14	1·49	1·14	
32. Irrigation ..	·80	·80	·80	..	..
33. Railways ..	106·80	108·86	108·02	1·72	·84	
34. Electricity ..	2·20	1·00	1·69	·51	·69	
35. Workshops ..	..	..	·10	·80	·20
37. Telephone ..	·32	·20	·15	·17	·05	
41. Miscellaneous ..	2·50	2·50	2·50	..	..
Total (Ordinary) ..	852·96	855·92	869·56	16·60	13·64	
<i>Extraordinary.</i>						
Transfer from Famine Reserve ..		17·06	11·51		5·55	
Transfer from Indl. Reserve ..		·92	1·00		·08	
Total (Extraordinary) ..		17·98	12·51		5·47	
Grand Total ..		873·90	882·07		8·17	

5. The above statement shows that in 1846 F. ordinary receipts are estimated to be better than the Normal of the present triennium and the Budget 1845 F. by 16·60 and 13·64, respectively. The paragraphs which follow explain the chief variations under each Major Head.

Estimates of 1846 F. compared with those of 1845 Fasli.

6. The turning point seems to have been reached and commodity prices are inclined to rise. The Revised Estimate of 1845 F. indicate an improvement in the Customs Revenue, and the Department expects to realise in 1846 F. 101·35 or 6·35 more than the Estimate for 1845 F. Custom
6·35.

Excise Duty on
Matches
—2·00.

7. It was assumed in 1345 F. that Hyderabad share would come up to 10 lakhs. Actually 7·78 lakhs were received from the Government of India. The Estimate for 1346 F. cannot be put at more than 8 lakhs.

Vehicle Tax
2·60.

8. This is a new Head, the receipts under which used to be credited under Major Head 22 Police. New rules sanctioned by His Exalted Highness in Firman dated 8th Jamadi-ul-Awal 1355 H. will come into operation from the first of Azar 1346 F. In accordance with those rules it is for the time being expected that in 1346 F. at least 2·60 will be received as revenue from the License and Registration of Motor Vehicles at the enhanced rates. The net amount after meeting the expenses of collection and compensation payable to Sarf-i-Khas Mubarak amounting to Rs. 30,977 p. a. will remain earmarked for Road constructions and be put in Road Fund.

Interest
3·26.

9. The increase is mainly due to securities purchased in 1345 F. which have been allotted to the Osmania Stabilization and General Deposits Reserves.

Paper Currency
1·15.

10. The increase under this head also is due to additional investments from the Paper Currency Reserve.

Post Office
1·14.

11. The revenue under this head is gradually improving.

Electricity
·69.

12. The City Electricity is expected to yield after paying interest on capital at charge a net revenue of 2·87 lakhs ; of which 1·00 will be retained with the Department for the benefit of the employees, and the balance 1·87 will go to General Revenues. On the other hand the District Electric installations will result in a net loss of ·18. This head will thus record on the total a net profit of 1·69 or ·69 more than the Estimate for 1345 F.

Other variations
·45.

13. Other variations aggregating ·45 are too small to call for any explanation.

SERVICE EXPENDITURE.

14. The following statement exhibits the grants to the various departments for 1845 F. and 1846 F. (a) from Current Revenues, (b) from Past Surpluses, and (c) from Departmental Balances brought over :—

Heads	1845 FASLI				1846 FASLI			
	(a) From Current Rev- enues	(b) From Past Sur- pluses	(c) From Deptl. Balces.	Total	(a) From Current Rev- enues	(b) From Past Sur- pluses	(c) From Deptl. Balces.	Total
1	2	3	4	5	6	7	8	9
1-A. Land Rev.	66·66	..	·19	66·85	66·75	..	·11	66·86
2. Forests ..	10·37	..	·23	10·60	10·36	..	·24	10·60
3. Customs ..	22·05	..	·20	22·25	21·77	..	·22	21·99
4-A. Excise ..	35·82	..	·26	36·08	37·41	..	·14	37·55
4-B. Opium & Gauja ..	1·19	..	..	1·19	1·22	..	..	1·22
5 A. Stamps ..	1·31	..	..	1·31	1·23	..	..	1·23
5-B. Registrn ..	1·69	..	..	1·69	1·75	..	..	1·75
6. Mines ..	·46	..	..	·46	·46	..	..	·46
6-B. VehicleTax	..	..	..	..	2·60	..	..	2·60
8-A. Interest ..	44·76	..	..	44·76	46·54	..	..	46·54
8 B. Debt Re- demption ..	18·68	..	..	18·68	18·68	..	..	18·68
9. Mint ..	1·63	..	..	1·63	1·61	..	..	1·61
10. Paper Curr.	·76	..	·50	1·26	·78	..	·50	1·28
11. Exchange ..	·55	..	..	·55	·50	..	..	·50
12. Post Office	14·00	..	..	14·00	14·05	..	..	14·05
12-A. Subsidy for Air Mail ..	·28	..	..	·28	·28	..	..	·28
13. Paymts. to H.E.H. ..	50·00	..	..	50·00	50·00	..	..	50·00
18-A. B.C & D. Princes' Expes., etc.	8·75	..	·03	8·78	10·30	..	·03	10·33
14. Genl. Admn.	42·47	..	·15	42·62	42·15	..	·32	42·47
15. Political ..	5·68	..	..	5·68	5·52	..	·01	5·53
16. Pensions ..	..	..	..	..	..	..	..	..
17. Life Insr. ..	·43	..	..	·43	·43	..	..	·43
18. Mansabs ..	16·25	..	..	16·25	16·21	..	..	16·21
19. Military ..	84·04	..	·42	84·46	84·40	..	·52	84·92
20. Courts ..	22·25	..	·29	22·54	22·49	..	·24	22·73
21. Jails ..	4·32	..	·04	4·36	4·34	..	·05	4·39
22. Police ..	67·62	..	·17	67·79	67·71	..	·20	67·91
23. Education ..	89·21	..	1·96	91·17	90·92	..	2·59	93·51
24. Medicine ..	27·00	..	·92	27·92	26·45	..	1·53	27·98
25. Religious ..	13·23	..	·39	13·62	13·63	..	·40	14·03
26. Agriculture	8·60	..	·28	8·88	8·58	..	·56	9·14
27. Veterinary ..	4·93	..	·17	5·10	4·93	..	·17	5·10
28. Co-optive ..	4·26	..	..	4·26	4·30	..	..	4·30
29. Misc. Minor Depts.	3·40	..	·01	3·41	6·46	..	·32	6·78
30. Munc. & P. Impvts. ..	25·86	..	2·53	28·39	28·33	..	..	28·33
31. Builds. & Comms. ..	88·49	..	..	88·49	87·11	..	..	87·11
32. Irrigation ..	28·31	..	..	28·31	28·56	..	..	28·56
33. Railways ..	1·78	..	..	1·78	1·82	..	..	1·82
34. Electy. ..	·22	..	..	·22	·21	..	..	·21
36. Printing ..	·94	..	..	·94	·94	..	..	·94
38. Industrial ..	3·64	..	·11	3·75	3·61	..	·19	3·80
40-B. Famine Insur. ..	15·00	..	..	15·00	15·00	..	..	15·00
41-A. Misc. ..	7·28	..	4·10	11·38	7·00	..	1·71	8·71
41-B. Res. for Reorgan. & Dev. ..	·39	..	..	·39	·04	..	..	·04
Total ..	839·46	..	12·95	852·41	847·38	..	10·05	857·43
Transferred from Famine Reserve ..	17·06	..	..	17·06	11·51	..	..	11·51
Industrial Re- serve ..	·92	..	..	·92	1·00	..	..	1·00
Grand Total ..	857·44	..	12·95	870·39	859·89	..	10·05	869·94

15. The following statement shows in one place the variations of the Budget Estimates for 1846 F. from the Normals and from the Estimates for 1845 F. This excludes reappropriations which the departments make from the balances at their credit :—

Major Heads	NORMALS 1844-46 Fasli	BUDGET		DIFFERENCE	
		1845 F.	1846 F.	Between Cols. 2 & 4	Between Cols. 3 & 4
		3	4	5	6
From Current Revenues :					
<i>Ordinary.</i>					
1-A. Land Revenue ..	67·00	66·66	66·75	·25	·09
2. Forests ..	10·00	10·87	10·36	·36	·01
3. Customs ..	22·40	22·05	21·77	·63	·28
4-A. Excise ..	35·20	35·36	37·85	2·15	1·99
4-B. Opium and Ganja ..	1·25	1·19	1·22	·03	·03
5-A. Stamps ..	1·30	1·31	1·23	·07	·08
5-B. Registration ..	1·70	1·69	1·74	·04	·05
6. Mines ..	·50	·46	·46	·04	..
6B. Vehicle Tax ..	..	..	2·60	2·60	2·60
8-A. Interest ..	40·83	44·76	46·54	5·71	1·78
8B. Debt Redemption ..	13·50	18·68	18·68	5·18	..
9. Mint ..	1·80	1·63	1·61	·19	·02
10. Paper Currency ..	·80	·76	·78	·02	·02
11. Exchange ..	1·30	·55	·50	·80	·05
12. Post Office ..	13·75	14·00	14·05	·30	·05
12-A Subsidy for Air Mail ..	·23	·23	·23	..	..
13. Paymts. to H.E.H. ..	50·00	50·00	50·00	..	..
13-A,B,C & D: Princes' Expenses, etc. ..	8·95	8·75	10·80	1·35	1·55
14. General Admn. ..	40·80	41·91	41·75	·95	·16
15. Political charges ..	5·85	5·68	5·51	·34	·17
16. Pensions ..	1·00	..	..	1·00	..
17. Life Insurance ..	·45	·43	·43	·02	..
18. Mansabs ..	16·00	16·25	16·21	·21	·04
19. Military ..	84·30	84·04	84·40	·10	·36
20. Courts ..	21·80	22·21	22·49	·69	·28
21. Jails ..	4·35	4·32	4·34	·01	·02
22. Police ..	67·80	67·62	67·71	·09	·09
23. Education ..	88·90	88·67	90·33	1·43	1·66
24. Medical ..	27·20	27·00	26·45	·75	·55
25. Religious ..	13·10	13·23	13·63	·53	·40
26. Agriculture ..	8·60	8·60	8·58	·02	·02
27. Veterinary ..	5·00	4·98	4·98	·07	..
28. Co-operative ..	4·45	4·26	4·30	·15	·04
29. Misc. & Minor Departments ..	2·77	3·05	3·28	·51	·23
30. Municipality and Public Impts. ..	18·85	18·83	18·33	·52	·50
31. Buldgs. & Commn. ..	91·30	88·49	87·11	4·19	1·88
32. Irrigation ..	22·10	23·81	23·56	1·46	·25
33. Railways ..	1·80	1·78	1·82	·02	·04
34. Electricity ..	·22	·22	·21	·01	·01
36. Printing ..	·94	·94	·94	..	..
38. Industrial ..	3·75	3·64	3·61	·14	·08
40-B. Famine Insurance ..	15·00	15·00	15·00	..	..
41-A. Miscellaneous ..	7·27	7·20	6·97	·80	·23
41-B. Res. for Reorganisation & Dev. ..	..	·89	·04	·04	·85
Total (Ordinary) ..	824·11	830·45	838·10	13·99	7·65

[Statement.]

Major Heads	NORMALS 1844—46 Fasli	BUDGET		DIFFERENCE	
		1845 F.	1846 F.	Between Cols. 2 & 4	Between Cols. 3 & 4
1	2	3	4	5	6
<i>Extraordinary.</i>					
<i>(a) From Current Revenues :</i>					
4-A. Excise ..		·46	·06		·40
5-B. Registration	·01		·01
14. General Administration ..		·56	·40		·16
15. Political charges	·01		·01
20. Courts ..		·04	..		·04
23. Education ..		·54	·59		·05
29. Misc. & Minor Deptts. ..		·35	3·18		2·88
30. Municipalities and Public Improvements ..		7·03	5·00		2·03
41.-A Miscellaneous ..		·03	·03		..
Total (a) ..		9·01	9·28		·27
<i>(c) From Reserves :</i>					
Industrial Reserve ..		·92	1·00		·08
Famine Reserve ..		17·06	11·51		5·55
Total (c) ..		17·98	12·51		5·47
Grand Total ..		857·44	859·89		2·45

Deflection of Budget 1346 F. from Normal 1344-46 Faslī.

16. The following statement details the deflections of the Expenditure Budget of 1346 F. from the Normal of the current triennium (Col. 5 of statement in para. 15 is Col. 2 of this statement) :—

Heads	Deflection	Adjustment Transfers	Prospective retrenchment (Under Retr. Com. Orders)	Sal. Com. Prospective savings in Sal. creditable to Govt.	Grade increments & Initial Appointments	Pensions	Others
1	2	3	4	5	6	7	8
1. Land Revenue ..	·25	·01	·02	·22	·04	·01	·01
2. Forests ..	·86	..	·01	·04	·19	·02	·60
3. Customs ..	·68	..	..	·01	·23	·13	·52
4-A. Excise ..	2·15	·01	..	·18	·89	·06	3·17
4-B. Opium & Ganja ..	·08	·01	..	..	·04	..	..
5-A. Stamps ..	·07	..	..	..	·03	..	·04
5-B. Registration ..	·04	..	..	..	..	·01	·03
6. Mines ..	·04	..	..	..	·03	·01	..
6-B. Vehicle Tax ..	2·60	..	..	..	..	..	2·60
8-A. Interest ..	5·71	..	..	..	..	..	5·71
8-B. Debt Redemption ..	5·18	..	..	..	..	..	5·18
9. Mnt ..	·19	..	..	..	·21	·01	·03
10. Paper Currency ..	·02	·01	..	..	·03	..	..
11. Exchange ..	·80	..	..	..	..	..	·80
12. Post Office ..	·30	..	..	..	·01	·01	·82
13-A, B, C & D: Princes' Exp. etc. ..	1·85	·18	..	·10	·03	·01	1·67
14. Genl. Admn. ..	·95	·06	..	·54	·06	·08	1·69
15. Political ..	·34	·26	..	·19	·08	·03	·16
16. Pensions ..	1·00	..	..	..	..	..	1·00
17. Life Insurance ..	·02	..	..	..	·02	..	..
18. Mansabs ..	·21	·01	..	..	..	..	·20
19. Military ..	·10	·12	..	·06	·02	·02	..
20. Courts ..	·69	..	..	·11	·15	·05	·68
21. Jails ..	·01	..	..	..	·02	·01	..
22. Police ..	·09	·02	..	·05	·29	·09	·82
23. Education ..	1·43	·02	..	·09	1·31	·01	·22
24. Medical ..	·75	..	..	·29	·76	..	·30
25. Religious ..	·53	·33	..	..	·09	·05	·34
26. Agriculture ..	·02	..	..	·03	·01	·02	..
27. Veterinary ..	·07	..	..	·02	·04	·01	..
28. Co-operative ..	·15	..	..	·05	·18	·02	..
29. Misc. & Minor Depts. ..	·51	·02	..	·06	·02	·02	·59
30. Mun. & Pub. Impts. ..	·52	..	..	..	·01	·01	·50
31. Bldgs. & Comms. ..	4·19	1·23	..	..	·06	·05	2·85
32. Irrigation ..	1·46	1·30	..	..	..	·16	..
33. Railways ..	·02	·04	..	·05	·02	..	·01
34. Electricity ..	·01	..	..	..	·01	..	..
38. Industrial ..	·14	..	..	·01	·03	..	·12
41-A. Miscellaneous ..	·30	·12	..	..	..	..	·18
41-B. Reserve for Reorganization & Development ..	·04	·07	·03	..	..	..	..
Total ..	13·99	..	..	1·76	2·21	·14	17·82

Variations under cols. 3 and 4 are due to internal departmental adjustments. Variations in col. 5 are due to the fact that the figures of the Normals will be reached gradually in course of time. Variations in col. 6 are due to grade increments and initial appointments on the minimum of progressive scales of pay. The explanation of the variations under Pensions in col. 7 is, that the pension charges in the budget have been included in the grants of the departments at 1/9th of the estimated expenditure on pensionable salaries, whilst in estimating the figures in the Normals, the actual pensionary charges, which were then less, have been taken as the basis. The other

variations amount to 17·82. Out of these, variations amounting to 10·23 have been explained in the Budget Note for 1345 F. The remaining variations amounting to 7·59 are being explained in the following para, while comparing the Budgets for 1345 and 1346 F.

(ii) Comparison of Budget 1346 F. with the Budget 1345 Fasli.

17. The following statement analyses the causes of differences between the Budget figures for 1346 F. and those of the previous year :

Heads	BUDGET		Differ- ence	Adjust- ments	Salaries Commis- sion Re- ductions	Grade In- crements	Pensions	Others
	1345 F.	1346 F.						
1	2	3	4	5	6	7	8	9
1-A. Land Revenue ..	66·66	66·75	·09	·01	·20	·27	·02	·01
2. Forests ..	10·37	10·36	·01	..	..	·01	..	..
3. Customs ..	22·05	21·77	·28	..	·13	·02	·01	·12
4-A. Excise ..	35·36	37·35	1·99	·01	·29	·26	·04	2·51
4-B. Opium ..	1·19	1·22	·03	·01	..	·02	..	..
5-A. Stamps ..	1·31	1·23	·08	..	..	..	..	·08
5-B. Registration ..	1·69	1·74	·05	..	..	·01	·01	·03
6-A. Mines ..	·46	·46	..	..	..	..	..	..
6-B. Vehicle Tax ..	..	2·60	2·60	..	..	..	..	2·60
8-A. Interest ..	44·76	46·54	1·78	..	..	..	..	1·78
8-B. Debt Redemption ..	18·68	18·68	..	..	..	..	..	..
9. Mint ..	1·63	1·61	·02	..	..	·02	..	..
10. Paper Currency ..	·76	·78	·02	·01	..	·01	..	..
11. Exchange ..	·55	·50	·05	..	..	..	..	·05
12. Post Office ..	14·00	14·05	·05	..	..	·04	..	·01
12-A. Subsidy for Air Mail ..	·23	·23	..	..	..	..	..	..
13. Paymts. to H.E.H. ..	50·00	50·00	..	..	..	..	..	..
13-A,B,C & D: Prin. Exp. etc. ..	8·75	10·80	1·55	..	·10	·01	·01	1·67
14. General Admn. ..	41·91	41·75	·16	·16	·36	·05	·08	·49
15. Political charges ..	5·68	5·51	·17	·17	·05	·02	·01	·02
16. Pensions ..	..	..	..	..	..	..	..	..
17. Life Insurance ..	·43	·43	..	..	..	..	..	..
18. Mansabs ..	16·25	16·21	·04	..	..	..	..	·04
19. Military ..	84·04	84·40	·36	·37	·06	·04	·01	..
20. Courts ..	22·21	22·49	·28	..	..	·14	·04	·10
21. Jails ..	4·32	4·34	·02	..	..	·02	..	..
22. Police ..	67·62	67·71	·09	..	·21	·04	·05	·39
23. Education ..	88·67	90·33	1·66	..	·10	1·72	·04	..
24. Medicine ..	27·00	26·45	·55	..	·39	·18	·05	·02
25. Religious ..	18·23	18·63	·40	·29	..	·02	..	·09
26. Agriculture ..	8·60	8·58	·02	..	·08	·04	·02	..
27. Veterinary ..	4·93	4·93	..	..	..	..	..	..
28. Co-operative ..	4·26	4·30	·04	..	..	·04	..	..
29. Misc. and Minor Departments ..	3·05	3·28	·23	·02	·06	·01	·01	·29
30. Municipal & Public Improvements ..	18·83	18·83	·50	..	..	..	..	·50
31. Buldgs. & Comms. ..	88·49	87·11	1·38	·09	..	·06	·28	1·46
32. Irrigation ..	23·31	23·56	·25	·18	..	..	·07	..
33. Railways ..	1·78	1·82	·04	..	..	·08	..	·01
34. Electricity ..	·22	·21	·01	..	..	·01	..	..
36. Printing ..	·94	·94	..	..	..	..	..	..
38. Industrial ..	8·64	8·61	·03	..	..	·08	..	..
40-B. Famine ..	15·00	15·00	..	..	..	..	..	..
41-A. Miscellaneous ..	7·20	6·97	·23	·05	..	..	..	·18
41 B. Reserve for Reor- ganization ..	·39	·04	·35	·35	..	..	..	..
Total ..	830·45	838·10	7·65	..	-2·03	1·79	30	7·59

The variations under cols. 5, 6, 7 and 8 are due to the causes explained in para 16, above.

The increases under the last column worth mentioning are : Excise, for speeding up introduction of Madras system (2·51); Vehicle Tax, expenses (·08), Compensation to Sarf-i-Khas Mubarak (·81); transfer to Road Fund (2·26), total (2·60) as per receipts per contra; Interest, on the New Loan, Sinking Funds and other Deposits (1·78); Walashan Princes, grant for tours, replacement of cars, etc. (1·67); General Administration, Constitutional Affairs Secretariat (·39), other allowances (·10), total (·49); Courts, T. A. for the Inspecting Officer and his establishment (·10); Police, Establishment for protection of children (·28), and transfer of motor licence fees to 6-B Vehicle Tax (·11), total (·39); Religious, New Mahwarat (·09); and Reserve for expansion of Aviation (·29). The main decreases are under : Customs, transfer of a portion of administrative charges to Excise Duty on Matches (·12); Stamp Manufacture, reduction in cost (·08); under Municipalities and Public Improvements and under Buildings and Communications the apparent decreases (·50) and (1·46), respectively, are due to adjustment of excess grants of the previous years. The decrease under Miscellaneous is due to savings under charges for saloons.

Extraordinary Grants from Current Revenues.

18. The Extraordinary Grants worth mentioning from Current Revenues shown in column 4 of para. 15 above are under:—General Administration, Additional Revenue Secretary (·34), Establishment under Military Secretary (·03), furniture, etc. to Constitutional Secretariat (·03), total (·40); Education, Scholarships and Encouragement of Literature (·59); Minor Department, Archæology, Reserve for exhibits (·35). Reserve for expansion of Aviation (2·81), Salary of Aerodrome Officer (·02), total (8·18); City Drainage (5·00).

B. CAPITAL EXPENDITURE.

19. It is proposed to provide 98·17 lakhs in 1346 F. against 72·43 lakhs in 1345 F. The details are as follows : -

	1345 F.	1346 F.
Irrigation	12·78	7·12
Railway Construction	42·28	67·67
Railway Compensation for Land	·80	·80
Electricity (City)	6·00	3·30
Electricity (Districts)	·60	7·48
Printing	1·42	1·50
Telephone (City)	·30	·55
Telephone (Districts)	·05	·05
Residential Buildings for Officers	3·00	5·00
Commutation of Pensions	3·00	2·50
Commutation of Mansabs	2·20	2·20
Total	72·43	98·17

The Receipts side will record Incomings of ·27 and ·10, respectively on account of Pensions and Mansabs commuted.

Irrigation 7·12. 20. The provision includes Nizam Sagar (1·91), Wyra (·09), Singa-bhupaliam (1·23), total (3·23); Maintenance charges during construction (3·89).

Railway Construction and Compensation 68·47. 21. The provision includes construction of Aurangabad-Bir-Parli line (85·00), Open Line Capital Works (25·67), Road Mechanical Transport Service (7·00), and Land Compensation (·80).

City Electricity 3·20. 22. The provision includes the usual grant for Mains and Extensions (2·50), and unspent balance of the estimate sanctioned for two new Boilers (·80).

23. The provision consists of the usual grant for Mains and Extensions (·20) each for Aurangabad, Nizamabad and Raichur Works, (5·22) for the Electricity Scheme of Gulbarga and 1·66, the probable unspent balance from estimate sanctioned for the Warangal and Nanded Schemes. District Electricity 7·48.

24. The provision includes the unspent grant of the capital sanctioned previously (1·37) and for Telugu Type matrices (·02) and Binding Machinery (·11). Printing 1·50.

25. The provision has been made for Mains and Extensions, City (·55) and Districts (·05). Telephone 60.

26. The provision is for the residential buildings of Officers—Civil (2·00), Military (1·00) and Osmania University (2·00). Residential Buildings for Officers 5·00.

27. Provision has been kept in view of the applications for Commutation of Pensions and Mansabs received in 1345 F. The capitalised value of Pensions and Mansabs commuted which is thus charged to Capital will be wiped off gradually by transfer to this head on the credit side of the portion of annual Pensions and Mansabs thus saved after adjusting interest on the capitalised value at 5½ and 6 per cent. respectively—the rates at which the commutation tables for Pensions and Mansabs, respectively, were calculated. Commutation of Pensions of Mansabs 2·50
2·20.

C. INVESTMENTS.

28. It is not at present proposed to make any fresh Investment this year. It is expected that securities of the General, and Deposits Reserve maturing in 1346 F. will bring in (·04).

D. DEBT HEADS.

29. The results of estimated Incomings and Outgoings under Debt Heads are compared below :--

Heads	1345 FASLI			1346 FASLI			Difference in 1345 F. and 1346 F.
	Receipts	Disbursements	Net	Receipts	Disbursements	Net	
1	2	3	4	5	6	7	8
M. Government Debt ..	..	2·77	— 2·77	..	2·30	— 2·30	·47
N. Reserves ..	51·82	22·88	28·99	55·53	16·81	38·72	9·73
O. Deposits bearing							
Interest ..	25·97	..	25·97	28·01	..	28·01	2·04
P. Deposits not bearing							
Interest ..	5·77	8·87	— 3·10	4·56	9·00	— 4·44	1·34
Q. Departmental Balances	..	12·95	—12·95	..	10·05	—10·05	2·90
R. Advances bearing							
Interest ..	4·30	9·84	— 5·54	3·70	9·84	— 1·14	4·40
S. Advances not bearing							
Interest ..	3·70	3·55	·15	3·70	3·55	·15	..
Total ..	91·56	60·81	30·75	100·50	51·55	48·95	18·20

30. Provision kept in 1346 F. for the repayment of balances of matured loans is 2·30 against 2·77 in 1345 F. M. Government Debt ·47.

31. The Incomings are expected to be on account of Interest and Annual Accretions (55·53). Against this the Outgoings provided are, repayments of matured loans (2·30), transfers from Famine and Industrial Reserves for Service Expenditure (12·51). Loans from Industrial Reserve (2·00), total (16·81). The net Incomings will be (38·72) or (9·73) more than the estimate of 1345 F. (28·99). N. Reserves 9·73.

- O. Deposits bearing interest** 2·04. 32. The expected net Incomings are, from Life Insurance Fund (7·00), Depreciation Funds of various commercial concerns (5·11), Postal Savings Banks (15·00), Electricity Department Pension Fund (·90), total (28·01).
- P. Deposits not bearing interest** — 1·34. 33. In 1345 F. the net Outgoings were estimated at 3·10. In the coming year the expected Incomings are, under Road Fund (2·26); adjustment of payment of matured loans to Government account (2·30), total (4·56). On the other hand the expected net Outgoings are, under Local Funds (5·00), Municipalities (1·00), Clothing and Dress Funds (1·00), C. W. Deposits (2·00), total (9·00). This means a net Outgoing of 4·44 or 1·34 more than the estimate of 1345 F.
- Q. Departmental Balances** 2·90. 34. The amount proposed for transfer from Departmental Balance for Service Expenditure in 1346 F. is 10·05 against net Outgoings of 12·95 estimated in 1345 F.
- R. Advances bearing interest** 4·40. 35. In 1345 F. the net Outgoings were estimated at 5·54. In the coming year the Incomings representing the usual recoveries from Revenue Takavis and other loans amount to 8·70. The Outgoings provided are, for Loan to Jagirdars (2·00), Revenue Takavis (1·25), Well Excavation in charge of Co-operative Societies (1·00), Motor Loans, net (·30), Loan to Students (1·00), Nizamsagar Takavis (3·00), Agricultural Takavis (1·00), Osmania University Loan Fund (·29), total (9·84). Net Outgoings will thus be 1·14.

E. CASH BALANCE.

86. The year 1846 F. will open with a balance of 178·16 and close with a balance of 151·58 as shown in the following statement :—

Heads	RECEIPTS			Heads	DISBURSEMENTS		
	1845 F.	1846 F.	Difference		1845 F.	1846 F.	Difference
1	2	3	4	5	6	7	8
				Service Ex- penditure :—			
Service Heads	878·90	882·07	8·17	From Current Revenues .	857·44	859·89	2·45
Deptl. Balce. proposed to be brought forward ..	12·95	10·05	- 2·90	From Deptl. Balances ..	12·95	10·05	- 2·90
Capital Outlay recovered	·27	·37	·10	Capital Ex- penditure ..	72·48	98·17	25·74
Investments cashed	..	·04	·04				
Debt Heads .	91·56	100·50	8·94	Debt Heads.	60·81	51·55	- 9·26
Total ..	978·68	993·03	14·35	Total ..	1,003·63	1,019·66	16·03
Opening Balance ..	292·07	178·16	-113·91	Closing Balance ..	267·12	151·53	-115·59
Grand Total ..	1,270·75	1,171·19	-99·56	Grand Total ..	1,270·75	1,171·19	-99·56

BUDGET 1346 FASLI

His Exalted Highness the Nizam's Government

**General Statements of
Receipts & Expenditure**

1346 Fasli

A.—RECEIPTS

Group	Major Heads	Accounts 1844 F.	Budget 1845 F.	Budget 1846 F.	
A	I-A	Land Revenue ..	3,12,94,758	3,25,00,000	3,25,00,000
	I-B	Forest Revenue by Revenue Officers ..	1,52,386	1,60,000	1,60,000
	II	Forests ..	12,34,672	18,00,400	18,00,000
	III	Customs ..	91,66,823	95,00,000	1,01,34,831
	III-A	Excise duty on Matches ..	7,77,544	10,00,000	8,00,000
	IV-A	Excise ..	1,67,61,582	1,65,00,000	1,65,00,000
	IV-B	Opium and Ganja ..	18,58,685	15,50,000	15,16,000
	V-A	Stamps ..	21,05,541	20,65,500	21,00,000
	V-B	Registration ..	3,09,050	3,00,500	3,10,000
	VI	Mines ..	4,05,001	3,62,000	4,00,000
	VI-A	Petrol Cess ..	1,49,497	3,00,000	8,00,000
	VI-B	Vehicle Tax ..	..	..	2,60,000
	<i>Total A</i> ..		<i>6,37,14,984</i>	<i>6,55,38,400</i>	<i>6,62,80,831</i>
A A	VII	Berai Rent ..	29,16,667	29,16,667	29,16,667
B	VIII-A	Interest ..	26,78,659	27,47,000	30,73,000
C	IX	Mint ..	83,977	50,000	80,000
	X	Paper Currency ..	19,88,925	19,20,000	20,85,000
	XI	Exchange ..	1,06,491	35,000	50,000
<i>Total C</i> ..		<i>21,29,393</i>	<i>20,05,000</i>	<i>21,65,000</i>	
D	XII	Post Office ..	12,66,884	12,00,000	13,14,000
G	XXXII	Irrigation ..	43,492	30,000	30,000
	XXXIII	Railways ..	1,09,52,290	1,08,86,000	1,08,02,000
	XXXIV	Electricity ..	3,06,544	1,00,000	1,69,000
	XXXV	Workshop ..	..	10,000	30,000
	XXXVI	Printing ..	..	..	..
	XXXVII	Telephone ..	280	20,700	14,700
	XXXVIII-A	Transfers from Industrial Reserve ..	1,07,292	91,600	1,00,000
	<i>Total G</i> ..		<i>1,14,09,848</i>	<i>1,10,26,900</i>	<i>1,10,56,300</i>
I	XL-A	Transfers from Famine Reserve ..	10,13,169	17,06,000	11,51,300
J	XLI	Miscellaneous ..	1,92,103	2,50,000	2,50,000
		Rounding ..	..	83	298
Total I to XLI ..		8,53,21,207	8,73,90,000	8,82,06,800	
Transfer from Moiety Departmental Balances lapsed to Govt.		9,00,000	..	..

1346 Fasli

B.—EXPENDITURE

Group	Major Heads	BUDGET 1846 FASLI					
		Actuals 1844 F.	Budget 1845 F	From Current Revenues	From Deptl Balances	Total	
A	1-A Land Revenue ..	66,14,847	66,84,800	66,74,788	10,817	66,85,600	
	1-B Land Revenue Irrigation ..	7,08,229	..	..	..	..
	2 Forests ..	9,81,239	10,60,000	10,85,525	23,875	10,59,400	
	8 Customs ..	20,90,898	22,24,800	21,77,229	21,771	21,99,000	
	3-A Excise duty on matches	..	..	..	..	..
	4-A Excise ..	86,13,356	36,07,600	37,41,095	14,805	37,55,400	
	4-B Opium and Ganja ..	1,07,727	1,18,700	1,22,300	..	1,22,300	
	5-A Stamps ..	97,249	1,31,200	1,22,970	880	1,23,800	
	5-B Registration ..	1,69,071	1,69,300	1,75,272	128	1,75,400	
	6 Mues ..	40,620	45,700	45,900	..	45,900	
	6-B Vehicle Tax ..	..	..	2,60,000	..	2,60,000
	Total A ..	1,44,23,236	1,40,42,100	1,43,55,074	71,226	1,44,26,300	
C	8-A Interest ..	41,14,107	44,76,000	46,54,000	..	46,54,000	
	8-B Debt Redemption ..	18,50,000	18,68,000	18,68,000	..	18,68,000	
	9 Mint ..	1,61,174	1,63,000	1,60,500	..	1,60,500	
C	10 Paper Currency ..	61,811	1,26,600	77,900	50,400	1,28,800	
	11 Exchange ..	46,108	55,000	50,000	..	50,000	
		Total C ..	2,69,093	3,44,600	2,88,400	50,400	3,33,800
D	12 Post Office ..	14,81,004	13,99,900	14,05,400	100	14,05,500	
	12-A Subsidy for Air Mail ..	23,333	23,300	23,800	..	23,800	
		Total D ..	15,04,337	14,23,200	14,28,700	100	14,28,800
E-1	18 Payments to H.E.I.L.	50,00,000	50,00,000	50,00,000	..	50,00,000	
E-2	18-A Tour Exps. of H.E.H. & Milty. Secy. to H.E.H.	53,665	9,800	9,800	..	9,800	
	18-B Expenses of Princes ..	10,61,025	8,27,800	9,83,352	3,048	9,86,400	
	18-C Sahebzadas' Exps. ..	23,295	40,300	36,000	..	36,300	
	18-D Exps. of other Members of Royal Family ..	..	..	..	..	..
	18-E Buildings ..	6,45,472	..	..	..	..
		Total E 2 ..	17,83,457	8,77,900	10,29,452	3,048	10,32,500
F	14 General Adms. ..	42,19,208	42,61,800	42,14,995	82,405	42,47,400	
	15 Political charges ..	6,04,810	5,68,200	5,52,144	856	5,52,500	
	16 Pension ..	..	..	..	..	..
	17 Life Insurance ..	46,447	42,600	43,200	..	43,200	
	18 Mansabs ..	16,81,967	16,25,000	16,21,200	..	16,21,200	
	19 Military ..	79,06,980	84,46,300	84,39,818	52,482	84,92,300	
	20 Courts ..	22,59,918	22,53,600	22,48,827	24,878	22,73,200	
	21 Jails ..	4,88,638	4,35,800	4,38,988	4,502	4,38,500	
	22 Police ..	67,68,065	67,79,100	67,70,612	20,288	67,90,900	
	23 Education ..	1,07,11,111	91,17,000	90,91,331	2,59,069	93,50,400	
	24 Medicine ..	29,11,122	27,92,100	26,44,665	1,58,235	27,97,900	
	25 Religious ..	12,58,152	13,62,300	13,62,343	40,057	14,02,400	
	26 Agriculture ..	7,93,737	8,88,300	8,58,400	55,400	9,13,800	
	27 Veterinary ..	4,82,241	5,10,000	4,93,327	16,578	5,09,900	
	28 Co-operative ..	4,06,353	4,25,900	4,30,400	..	4,30,400	
	29 Misc. and M. Depts. ..	3,48,648	3,40,800	6,46,283	81,917	6,78,200	
	30 Munc. & Pub. Imps. ..	36,02,614	28,39,200	28,33,100	..	28,33,100	
	31 Bldgs. & Comms. ..	66,57,446	88,49,400	87,11,500	..	87,11,500	
		Total F ..	5,04,92,452	5,15,37,400	5,08,96,083	6,90,717	5,15,86,800
	G	32 Irrigation ..	9,35,984	23,31,400	23,56,100	..	23,56,100
		33 Railways ..	1,18,731	1,78,400	1,81,967	888	1,82,300
34 Electricity ..		75,858	22,500	20,900	..	20,900	
35 Workshop ..		..	..	..	..	..
36 Printing ..		1,87,468	93,600	93,600	..	93,600	
37 Telephone ..		..	..	..	..	..
38 Industries ..		3,86,663	3,74,700	3,60,792	18,908	3,79,700	
38-A Transfer from Industrial Reserve. ..		1,07,292	91,600	1,00,000	..	1,00,000	
		Total G ..	17,61,996	30,92,200	31,13,359	19,241	31,32,600
I		40-A Famine ..	10,13,169	17,06,000	11,51,300	..	11,51,300
	40-B Famine Insurance ..	15,00,000	15,00,000	15,00,000	..	15,00,000	
J	41-A Miscellaneous ..	10,85,817	11,82,700	6,99,679	1,70,521	8,70,200	
	41-B Reserve for Reorganization and Development. Rounding ..	..	..	89,400	..	4,600
			500	858	47	400	
	Grand Total ..	8,42,97,164	8,70,39,000	8,59,89,000	10,05,300	8,69,94,300	

C.—Statement of Capital

RECEIPTS

	Accounts 1844 F	Budget 1845 F.	Budget 1846 F
K. CAPITAL OUTLAY RECOVERED			
KJ. Receipts from Pensions towards repayment of Capitalized value of Pensions	4,160	21,800	27,000
KK. Receipts from Mansabs towards repayment of Capitalized value of Mansabs	64	5,800	10,600
Total ..	4,224	27,100	37,600
L. INVESTMENTS CASHED			
Total ..			3,500

D.—Statement

Heads	Accounts for 1844 F.	Budget Estimate for 1845 F.	Budget Estimate for 1846 F	ESTIMATE OF 1846 FASLI COMPARED WITH THE ESTIMATE OF 1845 FASLI		
				More	Less	
M Govt. Debt ..	1,44,41,100	.	..	..	.
N Reserves ..	48,60,609	51,82,000	55,58,000	3,71,000	..	
O Deposits bearing Interest ..	2,48,28,782	25,96,788	28,01,865	2,04,582	..	
P Deposits not bearing Interest ..	2,98,67,815	5,77,000	4,55,650	.	1,21,850	
Q Deptl. Balance ..	98,16,855	..	..	..	..
Q1 Govt. Share of Moety Balance ..	82,65,072	..	..	.	..
R Advances bearing Interest ..	11,71,220	4,80,000	8,70,000	4,40,000	..	
S Advances not bearing Interest ..	18,21,607	8,70,000	8,70,000	..	..
T Remittances ..	..	..	..	..	..
U Suspense account & cheques uncashed Rounding ..	..	+ 217	- 15	.. 282	..
Debt Heads ..	8,85,67,510	91,56,000	1,00,50,000	10,15,350	1,21,350	Net 8,94,000

Fasli

and Investments

EXPENDITURE

	Accounts 1844 F.	Budget 1845 F.	Budget 1846 F.
K. CAPITAL OUTLAY NOT CHARGEABLE TO REVENUE			
K.A. Irrigation	7,09,495	12,78,000	7,11,750
K.B. Railway Construction	5,97,333	42,28,000	67,67,000
Do Compensation	22,478	80,000	80,000
K.C. Electricity : City	2,97,967	6,00,000	3,80,000
Do Districts	3,05,335	60,000	7,48,450
K.D. Workshop .. .. .	.. .. .	.. .. .	.. .. .
K.E. Printing	65,569	1,42,000	1,50,000
K.F. Telephone : City	81,582	30,000	55,000
Do Districts	986	5,800	5,800
K.G. Industries .. .. .	.. .. .	.. .. .	.. .. .
K.H. Residential buildings for officers	19,114	3,00,000	5,00,000
K.I. Mines .. .. .	.. .. .	.. .. .	.. .. .
K.J. Capitalized value of Pensions commuted	96,267	3,00,000	2,50,000
K.K. Capitalized value of Mansabs commuted	3,004	2,20,000	2,20,000
Rounding .. .. .	.. .. .	800	500
Total	21,49,060	72,43,000	98,17,000
L. INVESTMENTS			
Deposits Reserve	94,500	.. .. .	.. .. .
Total	94,500	.. .. .	.. .. .

of Debt Heads

Heads	Accounts for 1844 F.	Budget Estimate for 1845 F.	Budget Estimate for 1846 F.	ESTIMATE OF 1846 FASLI COMPARED WITH THE ESTIMATE OF 1845 FASLI	
				More	Less
M Govt. Debt	89,500	2,77,250	2,29,650	.. .. .	47,600
N Reserves	18,35,087	22,83,250	16,80,950	.. .. .	6,02,300
O Deposits bearing Interest	2,21,04,710	.. .. .	.. .. .	.. .. .	.. .. .
P Deposits not bearing Interest	2,91,48,058	8,87,000	9,00,000	13,000	.. .. .
Q Deptl. Balance	88,56,989	12,95,000	10,05,300	.. .. .	2,89,700
Q1 Govt. share of Moiety Balance	9,00,000	.. .. .	.. .. .	.. .. .	.. .. .
R Advances bearing Interest	29,07,016	9,84,000	9,84,000	.. .. .	.. .. .
S Advances not bearing Interest	87,05,423	3,55,000	3,55,000	.. .. .	.. .. .
T Remittances	2,65,445	.. .. .	.. .. .	.. .. .	.. .. .
U Suspense account & cheques uncashed	6,38,876	.. .. .	.. .. .	.. .. .	.. .. .
Debt Heads	6,93,95,599	60,81,500	51,54,900	13,000	9,39,600
					Net 9,26,600

RECEIPTS

Heads of Receipts	Accounts for 1844 Fasli	Budget Estimate for 1845 Fasli	Revised Estimate for 1845 Fasli	Budget Estimate for 1846 Fasli
Service Receipts ..	8,62,21,207	8,73,90,000	8,86,99,000	8,82,06,800
Departmental Balances*	50,91,917	12,95,000	76,46,000	10,05,800
Capital outlay recovered	4,224	27,100	20,000	37,600
Investments ..	..	..	13,000	3,500
Debt Head Receipts ..	8,85,67,510	91,56,000	1,94,42,000	1,00,50,000
Total ..	17,98,84,858	9,78,68,100	11,58,20,000	9,98,08,200
Opening Balance ..	1,64,59,366	2,92,07,366	3,05,91,046	1,78,16,046
Grand Total ..	19,63,44,224	12,70,75,466	14,64,11,046	11,71,19,246

* Brought forward for expenditure.

Fasli**Statement****EXPENDITURE**

Heads of Expenditure	Accounts for 1844 Fasli	Budget Estimate for 1845 Fasli	Revised Estimate for 1845 Fasli	Budget Estimate for 1846 Fasli
Service Expenditure from Current Revenues ..	.	8,57,44,000	7,96,02,000	8,59,89,000
Service Expenditure from Past Surpluses ..	8,42,97,164	..	..	..
Expenditure from Departmental Balances ..		12,95,000	76,46,000	10,05,800
Departmental Balances* ..	98,16,855	..	69,89,000	..
Capital Expenditure ..	21,49,060	72,48,000	78,26,000	98,17,000
Investments ..	94,500	..	27,18,000	..
Debt Head Expenditure ..	6,93,95,599	60,81,500	2,48,19,000	51,54,900
Total ..	16,57,58,178	10,03,63,500	12,85,95,000	10,19,66,200
Closing Balance ..	3,05,91,046	2,67,11,966	1,78,16,046	1,51,53,046
Grand Total ..	19,63,44,224	12,70,75,466	14,64,11,046	11,71,19,246

* Taken to Departmental Balance Account under Debt Heads.

HYDERABAD-DECCAN,
1st Azur 1846 F.
6th October 1886 A.D.

A. HYDARI
N. JUNG,
Finance Member.

1346 Fasli

F.—Statement of the Reduction of the Government Debt.

Serial No.	Name of Debt	Amount of Original Debt	Paid up to the end of 1844 F.	Paid or to be paid in 1845 F. Approximate	Balance
1	2	3	4	5	6
1	6 per cent. Promissory Notes —	O.S. Rs.	O.S.Rs.	O.S. Rs.	O.S. Rs.
	(a) Issued in 1807 F. Loan repayable after 80th Aban 1826 F.	26,96,400	26,76,900	3,500	16,000
	(b) Issued in 1827 F.				
	(i) Short Term 1380 F. . .	12,90,650	12,67,300	1,100	22,250
	(ii) Long Term 1339-41 F. . .	70,44,650	68,17,850	35,400	1,91,400
	(c) Issued in 1829 F.				
	Repayable after 1st Bahman 1352 F. . .	1,02,08,800	..	..	1,02,08,800
	(d) Issued in 1331 F.				
	Repayable 1351-61 F. . .	76,81,200	..	..	76,81,200
2	5½ per cent. Promissory Notes—				
	Issued in 1841 repayable in 1852-1862 F.	3,98,43,300	..	..	3,98,43,300
3	8½ per cent. Promissory Notes—				
	Issued in 1844 F. repayable in 1855-1865 F. . .	1,44,41,100	..	..	1,44,41,100
4	Old Railway Shares . . .	52,27,665	18,28,946	..	34,08,719

1346 Fasli

G.—Statement of Government Investments.

Nature of Securities	Debt Redemption Reserve	Famine Reserve	Industrial Reserve	O.S. Stabilization Reserve	Deposits and General Reserves	Total	Paper Currency Reserve
1	2	3	4	5	6	7	8
I—Investments :—							
(A) Government of India and Municipal Paper							
6 % Municipal Debentures ..	..	7,50,000	..	..	..	7,50,000	..
5 1/2 % Government Paper ..	..	14,00,000	..	..	..	14,00,000	36,00,000
5 % Government Paper ..	16,00,000	13,00,000	..	80,00,000	31,66,200	96,06,200	1,10,68,000
5 % Municipal Debentures ..	..	..	..	..	18,500	18,500	..
4 % Government Paper ..	36,64,000	7,83,000	..	2,50,00,000	9,50,000	3,01,98,500	70,96,200
4 % Municipal and Port Trust Debentures ..	24,77,500	15,00,000	..	..	16,53,000	56,32,500	..
3 1/2 % Government Paper ..	68,59,000	1,29,95,600	..	16,04,000	1,17,300	2,15,76,500	1,12,76,000
3 % Government Paper ..	11,25,300	12,18,800	..	..	1,200	23,46,300	12,50,700
2 1/2 % Government Paper ..	3,00,000	35,00,000	..	5,00,000	21,00,500	64,00,000	36,00,000
Total (A) B.G.	1,60,28,300	2,34,48,000	..	3,07,04,000	80,08,200	7,31,58,500	3,78,90,900
(B) Other Investments.							
6 % Singareni Collieries Debentures ..	..	..	5,00,000	..	..	5,00,000	..
Shahabad Cement Co. Shares ..	..	..	6,00,000	..	..	6,00,000	..
Tata Power and Hydro-Electric Power Supply Shares	..	..	..	..	1,32,000	1,32,000	..
Osman Shahi Mills Debentures ..	..	..	9,00,000	..	..	9,00,000	..
Eastern Federal Inds. Co., Shares ..	..	..	2,50,000	..	..	2,50,000	..
Agencies of Azam Jahi and Osman Shahi Mills ..	..	..	21,00,000	..	..	21,00,000	..
Bombay Talkies Shares ..	..	..	..	..	1,00,000	1,00,000	..
Osman Shahi Mills Shares ..	..	..	..	..	2,00,000	2,00,000	..
Deccan Marble & Mining Shares ..	..	..	21,400	..	..	21,400	..
Aero. Tr. Cen. of Ind. Shares ..	..	..	..	..	50,000	50,000	..
Total (B) B.G.	..	..	43,71,400	..	4,82,000	48,53,400	..
(C) Sterling Investments							
Mining Shares £ = B.G.	..	..	45,000	..	..	45,000	..
..	..	..	6,00,000	..	..	6,00,000	..
Total A. B & C. B.G.*	1,60,28,300	2,34,48,000	49,71,400	3,07,04,000	84,90,200	8,36,41,900	3,78,90,900
(D) O. S.							
Deccan Glass Factory Shares ..	..	..	30,000	..	..	30,000	..
Tobacco Co. Shares ..	..	..	1,60,000	..	..	1,60,000	..
Azam Jahi Mills Shares ..	..	..	4,55,600	..	..	4,55,600	..
.. Loan ..	..	..	7,00,000	..	..	7,00,000	..
6 % H.E.H.'s Govt. Loan 1952 F.	..	..	..	..	25,000	25,000	..
II—Cash.							
B.G. in Banks† ..	..	..	..	..	..	..	2,52,10,845
O.S. † ..	1,03,000	26,000	15,07,000	86,000	..	17,82,000	5,64,79,945
Total I & II O.S.	1,88,02,683	2,73,82,000	87,12,567	3,59,07,333	99,30,233	10,07,34,816	12,65,28,230
III—Expected ‡							
O.S. ..	23,48,000	13,59,000	1,65,000	..	— 3,500	38,08,500	..
Grand Total O.S. ..	2,11,50,683	2,87,41,000	88,77,567	3,59,07,333	99,26,733	10,46,03,316	12,65,28,230

* Actually at present. † According to Revised Estimates for 1845 F.
‡ According to Budget Estimates for 1846 F.

Mint Bullion Balances on 12th Meher, 1845 F.
18th August, 1936.

Particulars	Weight in Tolas	
	Pure	Standardised
Gold ..	1,612·18	9,429·99
Silver ..	34,103·90	11,78,842·59
Copper ..	3,31,703·90	..
Tin ..	1,75,180·00	..
Zinc ..	68,645·90	..
Bronze ..	..	82,88,868·52
Nickel ..	9,06,600·00	3,48,284·80

H.—DEPARTMENTAL BALANCES 1344 FASLI.

Major Heads	Salaries and Allowances		T. A. and Tour charges		Contingencies and Special charges		Receipts		Rents and Repairs		Works		Reserve		Total		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
1. Land Revenue	..	23,380	15,668	17,526	—	16,826	17,290	..	..	..	..	..	..	..	..	..	59,515
2. Forests	..	354	14,574	29,500	..	..	5,749	..	..	..	..	..	..	..	..	..	68,118
3. Customs	..	2,091	8,898	37,755	..	..	8,158	..	..	..	..	..	..	..	..	..	58,402
4. A. Excise	..	6,257	25,091	88,485	..	..	7,602	..	..	..	..	..	..	..	..	..	1,45,886
5-A. Stamps	..	88	..	88,879	..	..	..	..	..	..	..	..	..	..	..	..	88,487
5-B. Registration	541	935	..	..	1,585	..	..	..	..	..	..	..	..	..	3,011
6. Mines	1,878	682	..	..	..	..	..	..	..	..	..	..	..	..	2,060
9. Mint	..	5,733	21	9,418	..	..	2,489	..	..	..	..	..	..	..	..	..	17,661
10. Paper Currency	923	17,275	..	..	..	..	..	..	..	..	..	..	..	..	18,198
12. Post Office	..	82,559	4,001	71,574	..	..	1,227	..	..	..	..	..	..	..	..	..	1,09,361
14. General Administration	..	48,517	50,130	71,668	15,842	..	8,160	..	..	..	..	..	..	..	..	..	2,16,095
15. Political charges	..	290	1,587	59,047	..	..	2,655	..	..	..	..	..	..	..	..	..	64,868
17. Life Insurance	50	4,919	..	..	80	..	..	..	..	..	..	..	..	..	4,970
19. Military	..	1,52,914	18,779	8,08,707	27,000	..	8,426	..	..	..	..	..	..	..	..	..	5,19,767
20. Courts	..	4,775	7,509	46,837	22,998	..	12,639	..	..	..	..	..	..	..	..	..	96,773
21. Jails	7,733	..	..	..	..	..	..	..	..	..	..	..	..	7,733
22. Police	..	27,616	35,902	61,246	11,784	..	9,959	..	..	..	..	..	..	..	..	..	1,47,701
23. Education	..	26,401	12,208	3,08,629	91,249	..	82,523	..	..	..	..	..	..	..	..	..	8,32,855
24. Medicine	..	8,442	7,958	80,452	20,331	..	7,566	..	..	..	..	..	..	..	..	..	2,94,445
25. Religious	..	7,236	2,292	21,043	1,651	..	..	..	..	..	..	..	..	..	..	..	62,850
26. Agriculture	..	11,076	9,291	70,178	45,855	..	4,265	..	..	..	..	..	..	..	..	..	1,44,619
27. Veterinary	..	4,288	9,320	37,951	5,361	..	5,844	..	..	..	..	..	..	..	..	..	52,037
28. Co-operative	..	80	4,397	5,661	..	..	4,728	..	..	..	..	..	..	..	..	..	21,452
28. Miscellaneous and Minor Depts.	175	19,430	1,171	..	175	..	..	..	..	..	..	..	..	..	25,119
30. Municipalities and Public Impts.	..	3,737	5,194	4,282	33,466	..	16	..	..	..	..	..	..	..	..	..	6,23,898
31. Buildings and Communications	..	89,765	8,757	27,597	37,470	..	1,595	..	..	..	..	..	..	..	..	..	51,06,641
32. Irrigation	..	52,205	..	..	..	..	749	..	..	..	..	..	..	..	..	..	6,32,843
33. Railways	15,989	..	..	34	..	..	..	..	..	..	..	..	..	16,023
36. Printing	91,294	..	..	..	..	..	..	..	..	..	..	..	91,294
38. Industrial	..	8,095	1,811	39,719	..	..	3,342	..	..	..	..	..	..	..	..	..	18,445
41. Miscellaneous	66,352
41-B. Reserve for Reorganization	4,09,500
Grand Total	..	3,56,594	2,30,557	14,99,582	1,94,362	1,93,696	62,72,068	10,69,996	98,16,855								

