REPORT

OF THE

ORISSA COMMITTEE

Volume I—Report and Financial Appendices

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ORISSA COMMITTEE,

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INTRODUCTORY.

We were appointed by the Government of India, in their Resolution No. F. 12/VI/31, dated the 18th September 1931 [Reproduced in Appendix 1, (Volume II)], with instructions to examine and report on the financial and other consequences of setting up a separate administration for Orissa, and to make recommendations regarding the boundaries in the event of separation. The resolution directed that three other persons, namely, the Raja of Parlakimedi, Mr Sachchidananda Sinhar Bar.-at-Law and Rao Bahadur C. V. S. Narasimha Raju Garu shotild be associated with us in our enquiry, and should share freely in our proceedings but take no part in the drafting and signing of the report*.

2. We held our first meeting at Patna on the 7th November 1931 when we discussed the procedure to be followed in the course of our enquiry. As we were anxious to enlist the co-operation of the public, we issued a communiqpfi [Reproduced in Appendix 2 (Volume II)] in which we drew attention to our terms of reference, and invited the submission of memoranda by public bodies, organised associations, and leading members of the general public. We also decided to take oral evidence at suitable centres. We re-assembled at Jamshedpur on the 23rd November, and subsequently visited Chaibassa, Sambalpur, Raipur, Midnapur, Gopalpur, Waltair, Cocanada and Cuttack. This part of our investigation was completed by the 14th January, by which date we had examined in all 410 witnesses and we were then in a position to formulate our recommendations regarding the boundaries of a separate province of Orissa, and to take in hand the working out of the financial and other consequences. We signed our report on the 19th April 1932.

3. Our task has been much lightened by the cordial assistance which we have received from the public officials and the Governments concerned. In response to our communique, written memoranda [the more important of these memoranda have been reproduced in Appendix 3 (Volume II)] were submitted by the Utkal Union Committee, the Oriya Associations of Jamshedpur, Midnapur, Sambalpur and Ganjam, the Jeypore Amalgamation Committee, the Ganjam Defence League, the Midnapur Anti-partition Committee, the Mankis of Kolhan and the Government of the Central Provinces, in which the case for and against the inclusion of each of the areas claimed by the Oriyas was very **fully** discussed. These memoranda greatly facilitated the oral examination of witnesses at the various centres visited by us. We are particularly indebted to the Census Superintendents of Madras, Bengal, Bihar and Orissa, and the Central Provinces for the very detailed maps and tables, which they furnished to us, showing the distribution of languages and races [Census statistics and maps are reproduced in Appendices 4 and 5 (Volume II)]. For the financial side of our task, we were fortunate to obtain the services of Mr. R. D. Balvally, Assistant Accounts Officer, which were kindly placed at our disposal by the Auditor General. His intimate knowledge of the Indian system of accounts and his experience as Secretary of the Sind Financial Enquiry Committee were invaluable to us. But it would have been quite impossible to prepare an accurate estimate of revenue and expenditure without the very great help received from the Government of Bihar and Orissa, especially as regards overhead charges, and the future yield of taxation. Lastly we have to tender our cordial acknowledgments to our associate members with whom we have been in close* consultation throughout, and our thanks to our Secretary, Mr. B. C. Mukharji, *I.C.S.*, **who** has worked unsparingly.

CHAPTER I.

THE BOUNDARIES.

4. It is unnecessary for us to describe the genesis of the movement amongst the Oriyas for the amalgamation of the Oriya-speaking tracts, and the discussions to which it has given rise in the past. They are fully described in the memorandum prepared by the Government of India for the Statutory Commission, to which there is nothing that we can usefully add. Nor have we to consider whether a separate province of Orissa should or should not be created. The question referred to us is of a more limited scope : it is, what, if such a province is created, should its boundaries be. We can thus pass at once to an examination of the claims and suggestions that have been laid before us in the course of our enquiry.

5. In the memoranda submitted by the Utkal Union Committee and various local Associations it is claimed that a separate province of Orissa should include the following areas:—

(1) The Orissa division.

(2) Angul.

(3) The sub-divisions of Contai and Jhargram and the thanas of Kharagpur, Narayangarh, Danton, Mohanpur and Keshiari of the Sadr sub-division of the district of Midnapore in Bengal.

(4) The thanas of Similiapal, Baipur and Khatra of the district of Bankura in Bengal.

(5) The district of Singhbhum.

(6) The thanas of Barabhum, Manbazar and Chandil of Manbhum district.

(7) The district of Ranchi.

(8) The Zamindaries of Khariar, Phuljhar and Bindra Nuagarh in Mahasamand Tehsil of Baipur district.

(9) The Zamindaries of Chandrapur—Padampur and Malkhurda and a group of nine villages called the " Jogni" villages in the Bilaspur district.

(10) The district of Ganjam (including the Agency tracts) except the taluk of Chicacole and its sub-taluk of Narsanpeta*

(11) Vizagapatam Agency excluding Gudem Taluk.

It is also suggested though no actual claim is made.that the whole of Chota Nagpur should be included.

6. Each of these areas demands separate examination: in no two of them are the conditions the same. But it will be as well to indicate at the outset the way in which we have approached this question of the boundaries. We agree with tie Statutory Commission that it cannot be settled by any single test. Language, race, the attitude of the people, geographical position, economio interest and administrative convenience are all relevant factors; and in framing our proposals we have taken account of all of them. But we attach great,

indeed, primary importance to the wishes of the inhabitants, where they e*n be clearly ascertained. We think that only very exceptional **circumstances** could justify the transfer of any area to the new province **against** the **opposition of** its people. To do so would be to run counter to the principle **on which the Oriyas** themselves have taken their stand in their claim for the **re-union under** one administration of the Oriya-speaking tracts. And there is **at least a strong** ***prima*** *facie* case for including an area if this is desired by **a** substantial **majority** of its inhabitants. But the views of the people on the other side of the **boundary** cannot be ignored : it is clearly desirable that both on the side **gaining and on** the side losing territory there should be the largest possible **measure of agree*** ment.

(1) *The Orissa division.*

7. It is clear that if it is decided to create a separate province **of Orissa** the present Orissa division must form part of it. The districts of Cuttack, **Puri** and Balasore are the home land of the Oriya race : they are by every test an Oriya tract. In Sambalpur the substratum of the **population** is **aboriginal**; but the Oriyas penetrated into it at a very early date ; for centitries **Sambalpur was** governed by Oriya chiefs; and the great majority **of** the **people speak** Oriya and regard themselves as Oriyas.

(2) ***Anguli***

8. Angul consists of two distinct tracts, the Angul sub-division, **and the** Khond Mahals, separated by the Baud State. The population **is mainly** aboriginal, but more than three-fourths speak Oriya which is **replacing the** Khond language even in the Khond Mahals. And the geographical **position** of both tracts makes it inevitable that they should be included **along with the** districts of the Orissa division.

(3) *Bengal—Midnapore.*

9. The Midnapore district, as its earlier name *[Madhyades* **(Hunter's** *Orissa,* foot-note, Volume I, page 313)] indicates, has from very **early times** been a frontier tract between Bengal and Orissa. For about four **and a half** centuries, that is from the middle of the 12th century till 1568, it **formed with** the **Arambagh** sub-division of the Hooghly district, the northern **part of the kingdom** of the *Ganga* kings who then ruled Orissa. **In** 1568 Midnapore **passed** under the sway of the Afghans, but in the long struggle that followed with **the** Moghals, Midnapore and the adjacent pargana of Balasore were the **frontier of** the latter. On the final triumph of the Moghals Midnapore **became part of** *Svbah* Orissa; but in 1751 Orissa as demarcated by the river **Subarnarekha was** ceded to the Marathas. The Subarnarekha was not, however, the **real** boundary as certain parganas to the east of the river continued to **be held by** the Marathas. In 1760 Midnapore except the *Pataspur* **pargana was ceded to the British. In** 1803 Orissa was conquered by the British, but **for a long time a** perplexing series of transfers and re-transfers **of parganas between Balasore and** Midnapore went on, and the present boundary was **not Anally defined til 1870.**

10. The population and lan[illegible]guage of Midnapore show the characteristics of a frontier tract. " [illegible] the people of Midnapore " wrote Mr. H. V. Bayley in his memo[illegible] [illegible] of Midnapore (1852) " are generally composed of an amalgamated

race, who can neither be called Bengalis nor Oriyas, but who are a mixture of both. It is not intended to convey by this remark the impression that the mixture observable has been effected so much by inter-marriage between the, two classes as by the adoption of manners and habits common to both. The people of Midnapore proper are of Bengal and Orissa. Its inhabitants consist of emigrants from both parts who have by long association with each other lost the salient points of their respective nationalities. But the Bengali emigrants appear evidently to form only a small proportion of the people from the great prevalence of Oriya family names among all classes of society as Brehara, Giri, Jana, Mahapatra, Mahikup, Mahanti, Panda, Patnaik, etc." Dr. Grierson writing about the beginning of the century describes the language In the areas adjoining Balasore as a mechanical mixture of corrupt Bengali and Oriya. The Gazetteer of 1911, however, notes that though Mr. Bayley's account still held good of a certain proportion of the population, it would be More correct to say that the inhabitants of Midnapore were composed of three classes, *viz.*, pure Bengali, Bengali-Oriya and aboriginal tribes. And Dr. Grierson's latest account of the Oriya of Midnapore is that in Contai it is skeleton Oriya so Bengalised as to be called a Bengalised dialect of Oriya and that even in Danton and Narayangarh where the speech approaches more closely to the Oriya of Balasore, and is not so Bengalised, *it* is unintelligible to the true Oriya speakers. These statements seem to point to the steady Bengalisation of the areas adjoining Orissa, a conclusion which the statistics of languages seem to confirm.

II. In 1891 the number of persons speaking Oriya was returned as 572,798. In 1901 it had fallen to 270,495, and in 1911 to 181,801 ; and in 1921 to 142,107. The most notable decrease was in the Ramnagar thana which in 1921 returned only 168 Oriya speakers as against 50,962 in 1911. The Census Superintendent of 1921 thought that probably in many instances the language returned as Oriya in 1901 had since been returned as Bengali, and that the remarkable change in Ramnagar was due to the fact that the people of Ramnagar did not want the area to be transferred to Balasore. " They were afraid of the Oriya agitation, and had petitioned Government on the subject before the Census. Apparently their leaders guessed that in deciding the matter the Government of India would give great weight to the language figures of the Census, and they saw to it that the language in common use which, indeed, bears as close a likeness to Bengali as to Oriya, was returned as Bengali and not as Oriya on this occasion ".

12. The 1931 Census shows a further and large decrease in the number of Oriya speakers. The number of persons who returned Oriya as their mother-tongue was 45,101, and of this total the Danton thana accounted for 23,590. In no other thana was the proportion as much as ten per cent., and in only three thanas did it exceed 5%. 31,815 persons gave Oriya as their subsidiary language and it is noticeable that of this number 21,308 were residents of Mohanpur thana in which only 880 persons, out of a total population of 28,102, returned Oriya as their mother-tongue.

13. The present Census Superintendent thinks that there are three posfeible reasons for the progressive drop since 1891 in the number of person! speaking Oriya ; namely :—

(1) the language being a mixed dialect can be described as either **Bengali** or Oriya ;

(2) Bengali is the language of the schools and of the courts ;

(3) fashion or the prejudices of the enumerators. The people or the enumerators may prefer to describe the language as Bengali rather than as Oriya.

His own view, however, is that the language is assimilating itself to Bengali, and that the statistics therefore reflect, though perhaps in an exaggerated form, a real change in the speech of the people. This is also the conclusion to which we ourselves incline. For reasons noted below, in Midnapore many, perhaps most, persons of Oriya descent prefer to be regarded as Bengalis, and therefore might tend to describe as Bengali a dialect which was in fact a compound of Bengali and Oriya. This may account for the peculiar returns for the Mohanpur thana. But it is inevitable that the schools and the law courts and long association with Bengal should affect the speech of the Oriya element and that the mixed dialect described by Dr. Grierson should become progressively Bengalised. Bengali is now not only the dominant language of the district as a whole : in all areas the language of the majority is either Bengali or a dialect which is or is rapidly becoming more Bengali than Oriya.

14. The Census Superintendent supplied at our request tables showing the racial composition of the population. In making the classification the method adopted was to select from the entries of caste those which were clearly Oriya or likely to be Oriya, those referring to aboriginals and those not clearly referring to Bengalis, Beharis or up-country castes, to compile the figures for each of those classes and to assume the remainder to be Bengali-Hindustani. The last class thus includes Muslims and other groups located in Bengal, Behar and the tract of country generally in which Urdu and Hindustani are the languages ordinarily spoken as mother-tongues. In classifying castes of doubtful origin it was assumed that in areas adjoining Orissa the use of the Oriya language even by a small proportion of the caste was good ground for treating it as Oriya ; and in the extreme north-west of the district the Census Superintendent, following the district magistrate, classified certain jpastes as Oriya despite the absence of any support from the language returns. In his opinion in this part of Midnapore the figures of Oriyas err, if at all, on the side of excess.

15. If by the Oriya race we mean castes which had their origin in Orissa it is possible that this classification under-estimates the Oriya population. The *Kaebartas,* who now style themselves *Mahishyas,* are the largest caste in Midnapore, and Dr. Grierson conjectures that they entered Midnapore from Orissa. " The history of their arrival in the district accounts for the very peculiar character of the dialect of Bengali spoken by them. Originally owning some non-Aryan language, they arrived in Midnapore speaking a corrupt patois of Oriya, and on this, as a basis, they have built the dialect of Bengali which they speak in their present home " (Linguistic Survey of India, Vol. V, Part I, page 106). But we are concerned with existing facts and not with remote racial origins, and for our purpose a caste which now describes itself as Bengali, and speaks Bengali, may legitimately be treated as a Bengali caste. We see no reason, therefore, to differ from the classification adopted by the Census Superintendent which appears to have given the benefit of the **doubt to** the **Oriyas** rather than to the Bengalis. And the tabled compiled

by him shows that in every thana the Oriyas are in a minority. The largest proportions are in Mohanpur 44. 1 per cent., Ramnagar 35 per cent., Dantan 28' per cent., Egra 22. 4 per cent., Contai 17. 5 per cent. In five other thanas the percentages range between 9.5 and 12.6 ; elsewhere they are negligible.

16. As already stated, the area claimed by the Oriyas comprises the thanas of Kharagpur, Narayangarh, Danton, Mohanpur and Keshiari of the Sadr sub-division and the sub-divisions of Contai and Jhargram, that is, about half the district. And the Oriya witnesses without exception made it clear that they were definitely opposed to the transfer of any smaller area, such as the thanas adjoining Orissa. It is not difficult to understand their attitude on this point. A district is not merely on administrative unit. In all old established districts the outlying tracts are linked with the administrative centres by business or other ties whose disruption is naturally resented by those concerned, and particularly the professional classes. For this reason proposals to abolish districts or even tahsils are always strongly opposed by the local population. Moreover whilst the inclusion of half Midnapore would add very substantially to the area and population of the new province, the inclusion of a few thanas would bring little or no advantage.

17. However this may be, it is certain that an overwhelming majority of the people are against the transfer of all or any of the areas claimed by the Oriyas. On this point the evidence recorded by us leaves no room for doubt. The opposition is not confined to the Bengalis. It was admitted by the Oriya witnesses that the Oriyas were divided on this question, and it is fairly clear that the younger men at any rate desire that Midnapore should remain in Bengal. To some extent, no doubt, this attitude is due to the propaganda carried on by the provincial Congress. The transfer to Orissa of nearly 1J million Hindus would reduce appreciably the existing Hindu majority in this part of Bengal and is, naturally, therefore, unwelcome to Hindu politicians. But this is not the only influence that has been at work. For various reasons Orissa during the last century has made less progress than Bengal; in literature, science and politics the Bengali has outdistanced the Oriya ; and in Midnapore at any rate the prestige of Bengal is higher than that of Orissa. The older men of Oriya origin are still attached by ties of sentiment to Orissa. The younger men either wish to be regarded as Bengalis or at any rate prefer that their political future should be bound up with that of Bengal.

18. The Oriya claim thus fails on all counts. By the test of race (as We have defined it) they are in a minority in all areas and except in a few thanas a minority of less than 30 per cent. By the test of language they are still more heavily outnumbered except perhaps in the Mohanpur thana where, however, the utmost that can be claimed is that the majority of the people speak a language which can be regarded as Oriya or Bengali. And in all areas there is an overwhelming majority opposed to the transfer to Orissa of any part of the district.

(4) *Banhifa.*

19, The inclusion of any part of Bankura in a separate province of Orissa is clearly impossible, if no part of Midnapore is to be so included. Moreover, the claim to the thanas of Khatra, Raipur and Similiapal cannot be justified on linguistic or racial grounds. There were in 1931 only 170 persons speaking Oriya in the whole district.

(5) *Singhbhum.*

20. The Singhbhum district consists of three distinct parts—

(1) The Kolhan.

(2) Porahat.

(3) Dhalbhum.

Little is known of the early history of the district. It is conjectured that *Jain* traders penetrated into it in the 14th and 15th centuries, and worked the copper mines. There are still, too, traditions of a former civilisation in the south. But for centuries at any rate the country has been occupied by aboriginals amongst whom the *Hos* predominate. The *Hos* are believed to have migrated from Chota Nagpur and to have overcome the Bhuiyas who then held part of the district. They found a hilly fastness in the south, and succesfully maintained their independence against repeated invasions. The *Kolhan*, as the area which they occupy is called, was not finally conquered till 1837. The north of the district came under the rule of the Singh family of Porahat who claim to be " Rathor Rajputs ". Tradition and the existing conditions indicate that the Dhalbhum pargana was first cleared and settled by the Bhumij tribe, closely followed by the *Santals.* In 1767 when the British first came into contact with Singhbhum, Dhalbhum was under the Raja of Dhalbhum (or, as he was then called, the Raja of Ghatsila) ; the family claims Brahmanical descent, but it is fairly certain that the founder of the dynasty was a member of the Bhumij race. (Settlement report of Pargana Dhalbhum 1906-1911, page 3.)

21. Throughout the district the higher Hindu castes are numerically weak. Oriya Goalas appear to have gradually spread at an early date into the south of the Kolhan, and were probably displacing the Bhuiyas and Dhu« rias about the same time as the Hos were driving them from the north. But in the main the Hindu community in the Kolhan appears to have grown up on a nucleus of settlers, Oriyas or semi-aboriginals speaking the Oriya language, who attached themselves as artisans to the Ho villages. In 1867 there were only 1,597 foreign cultivators in the Kolhan- In Dhalbhum, too, the majority of the lower castes belong to the aboriginal race, but there has been Hindu immigration from the neighbouring districts of Midnapore, Bankura and Manbhum, and many aboriginal headmen have been supplanted by Bengali and Oriya immigrants. In recent years, owing mainly to the establishment and remarkable growth of the Tata Iron and Steel Company, and its associated industries, there has been a large influx of Bengalis, Beharis and immigrants from up country.

22. Dhalbhum was the first part of the district to be brought under British rule. It was administered nominally from Midnapore, but in fact mainly through the hereditary chiefs of the estate. In 1833 as a result of the rebellion of the *Chuars*, and the closely connected rising of the Kols in Ran chi It wad exempted from the general laws and regulations, and the administration was vested in an officer styled the Agent to the Governor-General, South-West Frontier. In 1837 the Kolhan after its final conquest was brought under the direct management of the Government, and for that purpose a principal assistant was appointed at Chaibassa. In 1848 his charge was extended by the

transfer of Dhalbhum from Manbhum. In 1854 Chota Nagpur was transferred by an Act of that year to the control of the Lieutenant-Governor of Bengal, and placed under a Commissioner, each district being in charge of a Deputy Commissioner. Porahat which had up till then been a feudatory State, was confiscated in 1858 on account of the rebellion of the Kaja, and it* revenue administration was made over to the Board of Revenue in 1859. It was incorporated in Bengal by a proclamation of the 5th August 1892, and was* included in the Singhbhum district by Act II of 1892, In 1911 Singhbhum with the rest of Chota Nagpur became part of the province of Bihar and Orissa,

23. Singhbhum is one of the backward tracts partially excluded from the reforms. It is represented in the Legislative Council, and Ministers exercise authority over transferred subjects. Bat the application of legislation is controlled by the Governor in Council, and this power has been exercised in the case of the Local Self-Government (Amending) Act of 1923. In Singhrbhum the executive head of the district is still the Chairman of the District Board. In all parts of the district the Deputy Commissioner has extended criminal powers, and the Chota Nagpur Tenancy Act makes certain parts* of the * record of rights ' conclusive and vests in him and his subordinates the jurisdiction of a large class of agrarian causes of action. In the Kolhan which is a government estate, the Civil Procedure Code is not in force, and the effort* of the administration have been directed to maintaining the *Hos* in possession of their lands and preserving the village communal system. The settlement of 1877 revealed a large increase in the number of *Dikku* (non-Ho) cultivators and in 1903 special rules were introduced which restricted the transfer of land and provided for the ejection of undesirable *Dikhis.* These rules were mainly directed against the money-lenders, the hide-dealers and the Goalas. As a result the unauthorised transfer of land has been practically stopped and the Ho community is remarkably free from debt. There are no regular police in the Kolhan, where police work is carried out by the *Mankis* (divisional headmen) and *Mundas* (village headmen).

24. The census report of 1921 and the earlier reports did not tabulate all the castes and tribes, nor did they classify the castes and tribes *hy* race. The Census Superintendent in charge of the 1931 census, however, has furnished tables and a map showing in great detail the present distribution and strength of the races in the district. The method adopted by him in classifying" the castes is explained in the following quotation from his note. " The original intention was to obtain a return of race in the census schedules themselves. The attempt, however, was a failure, and it was accordingly decided to ignore altogether the entries of race in the schedules, and to rely instead on an analysis of the caste and language returns. In the first place there is a number of distinctively Oriya castes, any member of which may be assumed with more or less certainty to be an Oriya by race. The following castes, amongst others, fall within this category: *Bhandari, Chasa, Karan,* and *Khandait.* The majority, however, of Hindu castes found in Singhbhum are not distinctive. In all such cases a careful examination was made for each local unit separately into the language spoken by the members of each caste. If it was found, for example, that in unit D 90 per cent, of the *Kewats* spoke Oriya as their mother-tongue, all the *Kewats* in that particular locality were treated as Oriyas by race. If, however, the number of Oriya-speaking *Kewats* in any given unit

was negligible, they were all treated in that particular locality as definitely non-Oriya by race. Where the number of Oriya-speaking *Kewats* was appreciable but not overwhelmingly preponderant, all the *Kewats* in that locality were treated as " doubtfuls ". The Oriyas and the "doubtful*" were first determined by the above method after examining the statistics for each caste in each locality by turn; then the " others " were extracted. These comprised all persons speaking as mother tongue some language other than Hindustani, Bengali, Oriya or a tribal language; and all primitive tribes irrespective of the language spoken by them. It is recognised that some of these tribes are on the border line having been Hinduised to such an extent that they[1] have lost many of their tribal characteristics. This process has gone so far ill the case of the *Bauris, Ghasis,* and *Pans* (which are undoubtedly primitive by origin) that it was decided to exclude them from the list of primitive tribes for the present purposes and to classify them as " doubtful " by race. There are many others included in the primitive list, which have been freely claimed as " Oriyas " or " Biharis " by the rival parties, and in certain cases these claims derive some measure of support from the language criterion. For instance, there are certain localities in Singhbhum in which practically all the Bhuiyas speak Oriya as their mother-tongue; but it was felt that in the interests of these aboriginal and semi-aboriginal people themselves, it was proper to distinguish them entirely from the Aryan races on both sides. Having thus determined the " Oriyas," the " doubtfuls " and " the others " the residue of the population was treated as " Bihari-Bengali " by race. It was found to be quite impossible to make any distinction on the racial map between Biharis and Bengalis. Again, it may be argued that as a result of the method followed, Hindustani-speaking immigrants from the United Provinces, the Central Provinces and other parts of India were treated as Biharis. This is so, but it could not be avoided, and the number of such persons is probably not considerable.

25. As might be expected, the Census Superintendent's classification has been freely criticised by some of the witnesses who gave evidence before us. Besides castes included in the list of primitives, large sections of the " doubtfuls " have been claimed as Oriya or Bengali or Bihari. But for our purposes the method adopted is as good as could be devised. A classification on strictly ethnological lines, that is, by the anatomical characters, would shed no light on the issue with which we are concerned. In the ethnological sense there is no Bengali, Bihari or Oriya race. The people who so call themselves are racially mixed (as are all peoples) and the proportions of the racial strains are not the same in all localities or in all sections. Again, an attempt to trace the history and origin of each of the castes in dispute would be a hopeless task leading to no certain results. There can be no reasonable doubt that all the castes in the list of primitives are aboriginal by descent and in the case of castes which are not distinctive there is no other test that can be applied save that of language. Moreover, the " doubtfuls " form only a small percentage of the total population, and the broad results would not be affected even if the majority of them were assigned to one or other community.

26. **The** outstanding facts of the racial map are—

(1) The predominance of the tribal races. The Hos, Santals, Bhuiyas, Mundas, Bhumijs and Oraons, all undoubtedly aboriginal tribes, account for 542,453 out of a total population of 929,802, and primitive tribes and others (the number of the latter is inconsiderable) include 587,930 persons. This predominance is most marked in the Sadr sub-division (the Kolhan and Porahat), but is substantial in Dhalbhum also. The figures for each sub-division are as follows :—

Sadr sub-division—

Primitives and others	381,129
Oriya, Bihari, Bengali and " doubtfuls "	154,078

Dhalbhum—

Primitives and others	206,801
Oriya, Bihari *cum* Bengali and " doubtfuls".	187,794

It should be noted, moreover, that the " doubtfuls " include, as already mentioned, Bauris, Ghasis and Pans who are undoubtedly primitives by origin.

(2) In regard to the Oriya and the Bengali *cum* Bihari elements, there is a clear cut division between the Sadr and the Dhalbhum sub-divisions of the district—

(a) In the Sadr sub-division (where the Bengalis are negligible) the Oriyas greatly outnumber the Biharis. The figures are as follows:—

Oriyas	89,631
Bihari *cum* Bengali	16,997
"Donbtfuls" .. .. ,.	47,450

The Oriya preponderance is marked not only in the sub-division as a whole, but in each one of the local units with the exception of the extreme north-west corner of the district and the municipal areas of Chakradharpur and Chaibassa ;

(6) conversely, in the Dhalbhum pargana (where the number of Biharis outside Jamshedpur is very small) the Bengalis are in a large majority over the Oriyas. The figures are—

Oriya	13,223
Bihari *cum* Bengali	89,041
"Doubtfuls"	85,630

Here again the Bihari *cum* Bengali element preponderates in each local unit except a part of the Ghatsila thana.

It will be seen that if most of the " doubtfuls " were assigned, in Singhbhum to the Biharis *cum* Bengalis, and in Dhalbhum to the Oriyas, the Oriyas would still have a substantial majority in Singhbhum, and the Biharis *cum* Bengalis in Dhalbhum.

27. The earlier census reports gave statistics of the **languages spoken only for the district as a whole. In** ***1911*** the number of Oriya speakers was 124,593, **that of Bengali speakers** was 108,584, and that of persons speaking **Hindi or Urdu 34,323. In** ***1921*** the corresponding figures were 140,821; 123,007 **and 57,421.**

For 1931 the Census Superintendent has supplied tables **and** a map **showing** the mother-tongue and subsidiary language of the inhabitants of each **of the 21 local** units into which he has divided the district. As in the case of **the** racial tables, his figures have been challenged by the Oriyas. He states, however, that as the result of a careful enquiry conducted by them, he and the District Magistrate are satisfied that the charges of bias, improper influence, and tampering with records brought against the local census officers were without **foundation.** In cases of doubt, indeed, the entry made by a Bengali enumerator might not be the one which would have been made by an Oriya enumerator. In Baharagora, to which most of the complaints related, the language is a mixture of Oriya and Bengali and the enumerator would naturally enter it according to his prejudices. The Census Superintendent thinks that in the Dhalbhum area where most of the Bengali enumerators were employed the benefit of the doubt was more often derived by the Bengalis than by the Oriyas, and he points out that in the police stations of Baharagora and Kalikapur there was in 1931, despite an increase in the total population, a decline in the number of Oriya speakers, as compared with the figures for 1921, from 14,550 to 10,744 and from 8,924 to 5,666 respectively. On the other hand, Mr. Scott who was Deputy Commissioner in 1921 states that after the census of 1921 he made an investigation in Baharagora, and found that many families, who did not speak Oriya in their houses, and did not call themselves Oriya, had been recorded as Oriya because they could speak Oriya. The census returns **for 1931** are the only evidence on which any conclusions as regards language can be based and we think that there is no valid reason for doubting their substantial accuracy.

28. The language statistics of the district exhibit much the same features as the tables of race. For the district as a whole tribal languages have a clear preponderance. The total number of persons speaking these languages is 508,140. But whereas in the Sadr sub-division the figure is 367,130 as against a total for Oriya, and Bengali and Hindustani of 165,082, in the Dhalbhum **sub-division** the speakers of the latter languages number 235,369 as against **141,010** persons who speak tribal languages. In Dhalbhum, which includes the **Jamahedpur** industrial area, Hindu immigration and influence have been much **greater than** in the Sadr sub-division. As between Oriya and Bengali there is again the same clear difierence in local distribution as we have noted in the case of race. In the Sadr sub-division Oriya is the mother-tongue of 127,247 persons, **and** Hindustani and Bengali of 37,835. In Dhalbhum the corresponding figures are 44,640 and 190,729. And the preponderance of Oriya speakers **in the former and** of Hindustani and Bengali speakers in the latter area is **marked in all** except **a few** units.

In Dhalbhum Hindustani and Bengali are the subsidiary languages of **107,439** persons **and** Oriya of only 10,669. In the Sadr sub-division the figures **•re respectively 23,148 and 11,448** a result doubtless due to the fact that Hindi **IS the language of the sqhools andjcourts.**

29. An attempt has been made to minimise the importance of the Hindustani and Bengali elements on the ground that the population of Jamshedpui, Where they are strong, is a " floating " population. It is true that the exclusion of this area Would appreciably reduce the Bengali and Hindustani proportion in Dhalbhum, though both by tete and language it would still greatly elCfced the Oriya percentage. But We are not prepared to accept the suggestion that the population of Jamshedpur is lacking in permanence, Doubtless, there are amongst the employees of the various industries some who do not intend to make it their permanent home; but these industries are now well established, large numbers of the factory hands have built or acquired houses, and the pro* portion of temporary residents is probably no greater than in most other industrial centred

30. Some complaints were made by Oriya witnesses regarding the lack of educational facilities for the Oriya community; and received support from Mt l)ippie the Educational Inspector who, as a result of a tour through part of the district, believes that much more could and should be done for the teach* ing of Oriya in the schools. On the other hand, Mr. Ward the Deputy Com* missioner and Chairman of the District Board states that the Board which contains 8 Oriyas out of 18 elected members is not unsympathetic to the Oriyas, but that no concrete proposals for the opening of Oriya schools have been put forward; a fact which he attributes to the lack of any real demand. It is fclear that facilities for instruction in Oriya are at present lacking. And if Oriya were made the language of the courts, as it doubtless would be if Singh* bhum were included in a separate province of Orissa, there would soon be & large and increasing demand for Oriya teachers and schools. Hindi and Bengali, however, are now the court languages and this, more than any hostility of the Board, seems to be the probable explanation of the small number of Oriya schools. But in view of the other facts elicited by our enquiry, the point is not one on which we need express any definite opinion.

31. As regards the attitude of the people, the evidence as in the case of Midnapore leaves no room for doubt. The Hos who in the Sadr sub-division greatly outnumber the rest of the population, are to a man opposed to the Oriya claim. This has been clearly proved not only by the evidence of their leading *Mankis*, and of Mr. Ward the present and Mr. Scott and Mr. Dain former Deputy Commissioners of the district, but by the demonstrations which we witnessed at Chaibassa. The road to Chaibassa for many miles was lined with thousands of Hos, who had assembled to protest against the inclusion of the Kolhan in an Orissa province. The hostility of the Hos was admitted by the Oriya witnesses, but was attributed to Bengali propaganda. Doubtless there has been propaganda—not all on one side—but there is' no sufficient reason for regarding it as the sole or the main cause of the attitude of the Hos. The Hos are closely connected by ties of race and language with the other primitive tribes, the Mundas, Oraons, Santals and Bhumij, who inhabit the Chota Nagpur plateau. In the days before the advent of the British they successfully defended themselves against all intruders by force of arms. But they cannot compete with the subtler minds of the Aryan races who have slowly penetrated the Chota Nagpur country, and for that reason as already mentioned, the administration has been directed towards protecting them from the worst effects of exploitation by the outsiders whom they designate *Dikkus*. It may well

fee that they instinctively feel that their powers of resistance will be weakened, and that their interests will suffer, if they are detached from their kinsmen in the north of the plateau.

Opinion amongst the other tribes, Santal, Oraons and Bhuiyas was not so clearly defined, but in so far as it exists, it is not favourable to the Oriya claim. The Hindustani and Bengali population are as hostile as the Hos ; so, too, is the Raja of Dhalbhum. The inclu3ion of Singhbhum in a separate province of Orissa finds, in short, no support save from the Oriya community.

32. Singhbhum is separated from the Orissa districts by a wide belt of Feudatory States territory. Balasore can be reached by a road passing through this territory, and Cuttack by a road leading to Jajpur railway station, and thence by rail; but there is no continuous railway communication with Balasore, Cuttack or Puri, save by a long and circuitous route through Kharagpur or Calcutta. The railways passing through Singhbhum run east and west or north, and its trade routes run east and north.

33. We have now stated the main facts regarding Singhbhum which our enquiry has elicited. The conclusion to which they point is clear, namely, that there is no case for including the Singhbhum district in a new province of Orissa. Linguistically and ethnically the Oriyas are a small minority of the population. Their claim is opposed by all other sections. The separation of Singhbhum from the rest of Chota Nagpur would not probably be in the interests of the primitive races to which the majority of the people belong. And whilst Singhbhum could be administered from Cuttack, its geographical position and lines of communication favour its retention in Chota Nagpur.

(6) *Manbhum.*

34. Little need be said regarding the portions of Manbhum which are claimed by the Oriyas. There are in the whole district only 1,563 persons who speak Oriya as their mother-tongue, and 102 whose subsidiary language is Oriya. In the racial table compiled from the schedules of the 1931 Census the figures are—

Biharis and Bengalis	**878,599**
Primitive tribes and others	**526,147**
Doubtful races	**406,147**

There are thus no castes which can be confidently described as Oriya. And it is obvious that if Singhbhum is not included, no part of Manbhum can be.

(l^*Ranchi.*

35. The momorandum of the Utkal Union Committee states that the proposal to include Ranchi is not based " on the grounds of linguistic or ethnic affinity but on administrative convenience ". Ranchi, it is argued, is more closely connected with Singhbhum than with Palamau and Hazaribagh, and has " a number of buildings suitable for the provincial headquarters whexfcas Cuttack has got no such buildings at present". The first of these arguments we must reject in view of our recommendation regarding Singhbhum; indeed, if that is accepted it is clear that Ranehi cannot in view of its geographical position be included ; and we are unable to admit that Orissa has as good a claim to

the buildings at Ranchi as Bihar which contributed by far the greater part of the cost of their construction. Nor can we ignore the factors of race and language. The bulk of the population consists of primitive tribes, but there are now 307,020 persons who are classed as Bihari or Bengali, and there are 703,682 persons who speak Bihari or Bengali out of a total population of 1,667,149; in both cases the Bengali element is very small. There are no castes which can be definitely classed as Oriya by race, and the Oriya speakers number only 7,891. Ethnically and linguistically, therefore, Ranchi is a district whose affinities are with Bihar rather than with Orissa.

Chota Nagpur.

36. There is little that can be urged in support of the suggestion that the whole of Chota Nagpur should be attached to Orissa. Its inclusion would of course add greatly to the area and population of the new province ; but it would bring no financial gain, since Chota Nagpur is a deficit area. The deficit is at present substantial, owing to the drop in'the revenue from excise, which the fall in prices and the ensuing depression has entailed; but even before 1929 revenue did not quite cover expenditure. By race and language the plateau is linked with Bihar and not with Orissa. The latest figures are—

Race.

	Oriya.	Bihari and Bengali,	Primitive tribes and all others.	Doubtful races,
Palamau	..	433,808	289,137	95,791
Hazaribagh	..	904,760	384,645	228,062
Banehi	..	307,020	1,043,682	216,447
Manbhum	..	878,599	526,147	406,144
Singbhu-n	102,864	106,038	587,930	132,980

Language.

	Oriya.	Hindustani and Bengali.	Other languages.
Palamau	33	747,828	70,875
Hazaribagh	317	1,383,909	133,131
Banehi	7,891	703,682	855,576
Manbhum	1,663	1,644,379	269,94a
Singhbhum	171,887	228,664	529,351

The number of persons who are Oriya by race or speak Oriya is insignificant save in Singhbhum. A large majority of the population now speak Hindustani or Bengali, and whilst the primitive races undoubtedly predominate, there are now over 2½ million persons who are classed as Biharis or Bengalis. It is certain that the Biharis and Bengalis would be united in their opposition to inclusion in a province of Orissa; and there can be little doubt that they could be supported by the Munda tribes who have so largely adopted the Hindustani or Bnegali languages. It may be added that as between the Biharis and Bengalis, the former is the larger element in the population: there are few Bengalis in Palamau, Hazaribagh and Ranchi. Further Chota Nagpur adjoins Bihar, and is separated from Orissa by a wide stretch of territory which is not part of British India. It is still, too, largely undeveloped, and the money which it needs can be found more easily by Bihar than by Orissa. Thus race, language, economic interest and geographical position favour its attachment to Bihar.

CENTRAL PROVINCES.

(a) Raipur areas.

37. The zamindaris of Khariar, Phuljhar, and Bindra-Nawagarh were three of the eighteen Garhjat chieftainships, known as the Athara Garh, and held in subordination first to the Maharaja of Patna, and later to the Raja of Sambalpur. In the 16th century they were tributaries of the Haihayavansi Kings of Chhattisgarh, who ruled from Ratanpur. Chhattisgarh and Sambalpur were invaded in 1740 by the Mahrattas, who ousted the native rulers. Sambalpur, including the Phuljhar zamindari was ceded to the British by the Treaty of 1803 but was restored by them to Raghuji Bhonsla. It was not finally surrendered by the Mahrattas till 1826, and the British did not assume direct control till 1849* From 1849 to 1860 it was administered as part of the South Western Frontier Agency; was then transferred to the Orissa division of Bengal; and in 1862 was made over to the newly constituted Central Provinces. Chhattisgarh was under Maharatta rule till 1818; under a British Protectorate from 1818 till 1830; again under native rule till 1854, when the Nagpur province lapsed to the British Government. In 1905 when Sambalpur was transferred to Bengal, the Phuljhar zamindari was added to the district of Raipur, one of the three districts (the other two being Bilaspur and Drug) which had been carved out of the old Chhattisgarh province. All three zamindaris, but more particularly Khariar and Phuljhar are thus frontier tracts, lying between the Oriya and Hindi lands, and they show in language and race the influence of both.

(a) Khariar.

38. The Khariar zamindari is situated between Bindra-Nawagarh on the west and the Patna State on the east, and has an area of 1,489 square miles.

In 1911 the number of Oriya speakers in the whole of Raipur was 180,713; the report does not indicate how many of these were in the Khariar zamindari. In 1921 the number of persons speaking Oriya in Khariar was 99,399. From the 1931 Census the Census Superintendent has supplied tables and maps showing the languages and the racial composition of the population. The important figures are—

Mother-tongue.

Population.	Persons who returned mothers tongue as Oriya.	Percentage of Oriya speaking persons.	Persons who returned mother-tongue as Hindi.	Percentage of Hindi speaking persons.
100,892	117,668	* 73	38,232	U

Race.

Population.	Oriyas by race.	Percentage of Oriyas by race.	Hindi speakers by race.	Percentage of Hindi speakers by race.	Doubtful Castes with Oriya mother-tongue.	Tribesmen and others who are not Oriya by race nor Hindi speakers.
160,892	71,857	45	21,497	13	50,060	17,478

As regards race the method of classification adopted is thus described by the Census Superintendent, " Among Oriyas by race have been included all those belonging to thirty castes of undoubted Oriya nationality whatever the mother-tongue returned, as well as those returning their mother-tongue as Oriya who also returned as their caste the Hindi equivalent of the thirty Oriya castes. Among those regarding whom there is doubt whether they are really Oriya or Hindi speakers by race have been included all belonging to castes entirely different to the thirty mentioned above and generally accepted in the Central Provinces as definitely Hindi castes who returned their mother-tongue as Oriya. It may be mentioned here that many non-Oriya races have assimilated Oriya as their mother-tongue. For instance, there are in the Central Provinces about 48,000 Gonds who have made this return. Those shown in the map as neither Hindi speakers nor Oriya by race are mostly tribesmen ".

39. Khariar is an extremely backward area. There are very few educated persons and on the question with which we are concerned the general public has no opinion. The zamindar in his evidence before us said " some of the people say they want to go to Orissa, and some don't" ; and left us in doubt as to what his own attitude was. On the following day, however, he sent a letter in which he stated that he himself was an Oriya, that the people" linguistically, socially and culturally were connected with Sambalpur and anxious to be included in the proposed new Orissa Province ". The only other witnesses who appeared were a pleader and an Assistant Medical Officer both Oriyas, who supported the Oriya claim; and two Malguzars and two cultivators who were equally divided on the matter.

40. We must therefore be guided by other tests. We may leave aside the historical connections of the zamindari: they are too remote and ambiguous. By language and race, however, Khariar is a predominantly Oriya area. Nearly three-quarters of the people speak Oriya. Racially, the Oriya predominance is less marked, but nearly one-half of the population is undoubtedly Oriya; and unless all the doubtful castes are treated as Hindi, the Oriya population exceeds the combined totals of the other races.

41. Raipur is the principal market for the produce of Khariar, and the main road is that between Raipur and Kalahandi. The Raipur-Vizianagram Railway recently opened traverses the northern corner of Khariar, and will doubtless strengthen its trade connections with Raipur. Economically therefore Khariar is more closely linked with Raipur than with Sambalpur. This, however, is not a consideration to which we are disposed to attach much weight.

Since there are no customs barriers between the provinces, the course of trade is not affected by provincial boundaries, and that of Khariar will not suffer if Khariar is detached from the Raipur district.

42* Only the northern part of Khariar adjoins the Sambalpur district ; elsewhere its eastern boundary is the Patna State. From the southern end of the zamindari the route to Bargarh, the nearest sub-divisional headquarters in Sambalpur is the road from Khariar through Titlagarh in Patna State. Prom Titlagarh to Bargarh there is a lorry service, and the section between Titlagarh and Khariar is said to be motorable during 8 months in the year. The northern end of Khariar is connected with Bargarh by an unmetalled road and Bargarh can be reached by rail from Khariar Road Station to Titlagarh, and thence by motor car or lorry. The lie of the country therefore and its communications are not very convenient for administration from Sambalpur. On the other hand Khariar town is no less than 83 miles from Mahasamund, its present tahsil headquarters, and 116 miles from the town of Raipur. On the whole, we think that if Khariar is transferred to Sambalpur, any administrative inconvenience will be fully met by the establishment of a tahsil at some place in the zamindari.

43. The case of Khariar is thus more difficult than that of any of the other areas, which we have so far discussed. The question whether it should be included or not, turns entirely on the weight assigned to language and race. There is no popular opinion for or against, and no serious administrative obstacles to, its transfer to a separate province of Orissa. In our opinion the balance of argument is in favour of accepting the Oriya claim. We think that if a separate province of Orissa is created, it would be difficult to justify* the exclusion from it of an area which racially and linguistically is predominantly Oriya. And its inclusion is in accordance with the test on which the Statutory Commission laid stress, namely, the greatest measure of agreement between the area losing and the area gaining territory. The exclusion of Khariar would certainly be resented by the Oriyas, whilst there is no reason to fear that its inclusion will offend the people of the Central Provinces.

(6) *Phuljhar.*

44. The Phuljhar zamindari is a hilly tract, comprising an area of 842 square miles, situated in the extreme east of the Raipur district between the Feudatory State of Sarangarh in the north and the Sambalpur district.

45. In 1921 there were 72,242 persons who spoke Oriya.

For 1931 the statistics of language and race are as follows:—

Mother-tongue.

Population.	Persons who returned mother-tongue as Oriya.	Percentage of Oriya speaking persons.	Persons who returned mother-tongue as Hindi.	Percentage of Hindi speaking persons.	Persons returning other languages.
165,353	72,692	44	88,030	53	3,025

Race.

Population.	Oriyas by race.	Percentage of Oriyas by race.	Population of Hindi speakers by race.	Percentage of Hindi speakers by race.	Doubtful castes with Oriya as mother-tongue.	Percentage of doubtful castes.
165,353	45,878	28	45,107	27	36,427	22

It will be seen that in this zamindari the Oriyas cannot claim a majority either by race or by language. It is true that the castes undoubtedly Oriya contain a few hundred more persons than those which are clearly Hindi. But as the pastes classed as doubtful include castes generally recognised in the Central Provinces as definitely Hindi castes, it is probable that the Hindi speakers by race outnumber the population which is Oriya by race. As regards language some of the Oriya witnesses contended that the dialect known as Laria is really a corrupt form of Oriya. For this contention there is no evidence whatever. All the authorities are agreed that Laria is merely the name applied by the Oriyas to the Ohhattisgarh dialect of Eastern Hindi.

46. The zamiudar of Phuljhar, a Raj Gond by origin, is against the inclusion of Phuljhar in a province of Orissa, and alleged that the people wished to remain in the Central Provinces with which by communications and trade the zamindari was more closely connected. A Muhammadan Malguzar and a cultivator gave evidence to the same effect. The Oriyas produced some fifteen witnesses who supported their claim, but with two exceptions all these witnesses were Oriyas. It was quite clear to us that, on the question before us, there is no public opinion in Phuljhar. Save for a few individuals, the population is ignorant and indifferent.

47. According to the settlement report Raipur is the market for most of the produce of Phuljhar. But it appears that there is also some trade, chiefly in *bidid* with Bargarh, and communications with Bargarh are as good—indeed in the rains better—than with Raipur. Phuljhar can be administered equally well from Raipur and Sambalpur, and its trade will neither suffer nor gain by its transfer to the latter.

48. We are unable to recommend the inclusion of the Phuljhar zamindari. By none of the tests, which we have recognised as relevant, could this be justified. Phuljhar is not either linguistically or ethnically a predominantly Oriya tract; the demand for union with Orissa has not come from its people; and there are no administrative or economic reasons for detaching it from the Central Provinces.

(c) *Bindra-Nawagarh.*

49. In the memorandum presented to us by the local Oriya association at Sambalpur (as also in the discussions that took place in earlier years) no mention was made of the Bindra-Nawagarh zamindari. On the day after the receipt of this memorandum, however, a supplementary note was sent to us in which the Bindra-Nawagarh zamindari was claimed as an Oriya tract. It appears that in the interval the association had heard that according to the census of 1931 a substantial proportion of the inhabitants speak Oriya. The Census Superintendent has given the followong explanation of this return: " In 1921 the Deputy Commissioner of Raipur stated that there was a sprinkling of Oriya people in the south-east corner of the Bindra-Nawagarh zamindari, aixd that they merited no enquiry. In the recent census, however, no less than 42% of the inhabitants returned Oriya as their mother-tongue. I know Bindra-Nawagarh well and was most surprised at the statistics. The Deputy Commissioner of Raipur has reported that the people of the zamindari have only a smattering of Oriya and really speak a patois which has in it more Laria

(Chhattisgarhi) than Oriya. When questioned, however, they would say that they speak Oriya. " Even, however, if it be assumed that the return is accurate, the Oriya speakers are *in* a minority ; 50% of the people speak Hindi and by Iritift only 26% are Oriya. Not a single witness from Bindra-Nawagarh #As produced in support of the belated claim for the inclusion of this tract which wb ha^e no hesitation in rejecting.

(9) *Bilaspur Areas.*

60. The areas claimed in this district are small and can be dealt with briefly.

*(e) Padampur.**

51. The Padampur tract consists of 61 villages of which 54 belong to and 7 lie outside the Chandrapur-Padampur State. It adjoins the Bargarh sub-division of Sambalpur, and is separated from the Chandrapur group of villages by a stretch of Feudatory State territory. Eighty-eight per cent, of the population speak Oriya, and 63 per cent, are definitely Oriya by race. The Settlement Officer, made, shortly before our arrival, a careful enquiry with a view to ascertaining the opinion of the Gaontias (headmeji) and tenants. Of the 57 inhabited villages, 37 are in favour of the tract being added to Sambalpur, while 18 villages were against its transfer. The Settlement Officer states that the tract is secluded, and its supervision from Bilaspur difficult; and that ii* all essentials " Language, manners, customs, soils and methods of cultivation the country is Oriya ". The Central Provinces Government have intimated that if the Chandrapur-Padampur estate is held to be partible they do not object to its transfer. It has been held to be partible by the Judicial Commissioner but it is possible that an appeal may be preferred against the decision to the Privy Council Even, however, if the decree is reversed, there appears to us on the facts above stated, to be a clear case for the inclusion of this tract.

(6) *Chandrapur.*

52. Statistics for the Chandrapur estate alone have not been supplied but since in the whole Chandrapur-Padampur tract the percentage of Oriya speakers is only 24 and that of persons who are Oriya by race only 21, it is clear that in Chandrapur alone the Oriyas are only a very small minority. The OriyaS produced a few witnesses who stated that the people wished to go to Orissa, but the Settlement Officer states, and we have no doubt correctly, that the *Gaontias* and tenants are against transfer to Sambalpur. Moreover, Chandrapur is separated from Sambalpur by a belt of Feudatory State territory. We cannot recommend the inclusion of this area.

(c) Malkhorda.

53. For the Malkorda villages no statistics are available since it was not known that any claim to them would be advanced by the Oriyas. The Settlement Officer states, however, that it is a purely Chhattisgarhi tract, and that the people are opposed to its transfer from Bilaspur. And not a single witness in support of their claim was examined by the Oriyas. This area, too, clearly cannot be included.

*This tract includes 7 of the 9 Jogni villages claimed by the Ociyaa. The ather two **are** in Chandrapur.

(10) *Gamgatn.*

54. It is believedihat the Lion dynasty, which fromaboui A. D. 473 ruled Orissa fox more than six centuries, extended its sway over the neighbouring tiact of Ganjam. This dynasty was overthrown in the 12th century by Chon&nga Deo, the founder of the Gajapati line of kings. The domains of the Gajapati Kings certainly extended beyond the river Kistna and their power was at its height in the 13th, 14th and 15th centuries. The wild nature of the country in Ganjam, however, rendered their administration merely nominal and it is probably for this reason that they established their servants as Lords of the Marches to keep in check the aboriginal tribes of Khonds and Savaras, who as late as the 18th century still occupied portions of the plains. Some of the present zemindars claim descent from the Gajapati kings, and the gazetteer of the district, written in the seventies of the last century, states that the Rajas " even at present still acknowledge the Raja of Jagannath or Puri as their chief ". Most of the zemindaris are still held by Oriya families.

55. In 1560 the last of the independent kings of Orissa was defeated and slain by the Muhammadans, and from about 1571 Ganjam which formed part of the Chicacole Circar was controlled by them from Hyderabad, In 1753 it was assigned by the Subedar of the Deccan to the French, but in 1762 the northern Circars including Chicacole were given by the Mughal Emperor to the British as an *Inam* and were finally secured to them in 1766 by a treaty concluded with Nizam Ali. The Chicacole Circar had under Muhammadan rule been divided into three divisions, Ichapur, Chicacole and Kasimkota and the two latter were at first administered as part of the Vizagapatam district. It was not till 1802 that Chicacole was incorporated in Ganjam.

56. For many years after its cession to the British conditions in Ganjam were very disturbed, and after the Ghumsur war it was considered necessary for the prevention of further outbreaks that the administration of Civil and Criminal justice in certain tracts should be removed from the ordinary courts And placed under the Collector as Agent to the Governor. This was the origin of the Agency system now in force in the *maliahs* or hilly areas inhabited by the Khonds and Savaras. The Agency tracts are administered by the Collector and his assistants who have large criminal and civil powers. They are not wholly excluded from the reforms, since they are included in the provincial constituencies, but all subjects are reserved, and the reserved half of the Government has full discretion in applying or refusing to apply provincial enactments.

57, Since the Ganjam plains are a border tract lying between Orissa and the Telugu lands to the south, it is probable that the population has from early times been mixed. It is hardly likely that, as some Oriya witnesses have contended, there were, when Ganjam was ceded to the British, no Telugus north of Chicacole. But, however that may be, we are concerned here as elsewhere with existing facts, and as far back as the seventies of the nineteenth century there were Telugu colonies all along the sea coast.

58. According to the 1901 Census the proportion per 1,000 who belonged respectively to Oriya and Telegu castes were :—

Oriya	473
Telugu castes	**466**

In 1891 the classification of castes on lines that make it difficult to extract comparable figures for that year, and the census reports of 1911 and 1921 show only certain main castes.

59. For language, however, full information is available. The figures for 1891,1901,1911 and 1921 are as follows :—

	Oriyas	Telugti.	Primitive and other languages.
1691 Plains	797,132	722,287	70,058
Agency	80,994	3,366	222,966
1901 Plains	1,274,975	342,910	71,257
Agency	87,682	5,864	227,568
1911 Plains	968,661	839,449	72,716
Agency	132,392	6,000	212,074
1921 Plains	931,790	834,785	68,987

The remarkable feature in the returns is the largo increase in the number of Oriya speakers in 1901, and the subsequent drop in 1911. The Census Superintendent for the 1911 census observed that the proportional variation was sa remarkable "as to suggest either careless enumeration at one' census or the other ; or else a possibility of deliberate misrepresentation by Telugu or Oriya enumerators not misinfluenced by the controversies which prevailed some four or five years back between the Telugus and the Oriyas of the district. The probability that the error lies in the earlier enumeration is strengthened by an examination of the proportion of the district's Hindu population contributed by Telugu and Oriya castes, respectively. It is improbable that in 1901 when the Telugu castes were well nigh as strongly represented in Ganjam as the Oriya, the disparity as to language should be so great". He noted that the argument was not conclusive because in 1911 details were given only for 10 castes in Ganjam as against 75 in 1901. It is, however, on the face of it, improbable that, as the Oriya witnesses have contended, of all the enumerations from 1891 that of 1901 alone was correct.

60. We are indebted to the present Census Superintendent for a set of admirable maps and tables showing in minute detail the present distribution of races and languages. The tables are reproduced below, but should be read with the maps in Appendix 5 (Volume II).

RACE.

Taluk or Section.	Population.	Oriya.	Telugu.	Neither.	Doubtful.
Ganjam Plains,					
1. Ghurasur .. *	180,615	143,139	8,466	12,924	16,086
2. Bodogodo (Surada II), ..	23,877	20,419	567	2,820	71
3. Kodala	207,228	171,075	15,032	4,432	16,689
4. Aska (less Sanokimedi) ..	151,501	116,226	14,093	3,972	17,210
Sanokimedi	58,769	45,718	6,887	3,220	2,944
Total ..	216,270	161,944	20,980	7,192	20,154

RACE.—CONTD.

Taluk or Section.	Population.	Oriya.	Telugu.	Neither*	Doubtful.
Oanjam Plains—eontd.					
5. ChatrapurA.	159,024	128,651	21,726	232	8,415
„ B.	28,141	10,886	16,870	181	204
Total ..	187,165	139,537	38,596	413	8,619
6. Bodokimedi	64,220	45,552	9,678	5,346	3,644
7, Berhampur (less Bodokimedi) A.	146,124	95,596	35,707	6,451	8,370
„ „ B.	95,565	23,104	67,097	452	4,912
Total ..	241,689	118,700	102,804	6,903	13,282
8. Iohapur	80,300	50,947	23,182	4,543	1,628
9. Sompet A.	20,707	13,195	3,567	3,393	552
„ B.	99,928	18,140	72,324	2,503	6,961
Total ..	120,635	31,335	75,891	5,896	7,513
|0. Tekkali	152,236	19,074	102,737	5,769	24,656
11. Parlakimedi	293,319	67,522	156,859	53,518	15,420
12. Chioaoole	291,827	16,442	236,185	1,593	37,607
Ganjam Agency.					
1. G. Udayagiri	85,196	32,687	170	51,828	503
i. Pondakhol (Surada I)	2,837	1,613	22	1,201	1
Baliiguda	108,955	36,802	829	70,662	662
Total ..	111,792	38,415	851	71,863	663
3. Ramagiri A.*.	35,698	14,604	55	21,035	4
„ B.*	55,879	13,937	201	41,733	8
Total ..	91,577	28,541	256	62,768	12
4. Parlakimedi Maliahs	69,681	15,620	1,276	52,754	31

MOTHER TONGUE—*contd.*

Taluk or Section.	Population.	No. returning as their mother-tongue		
		Oriya.	Telugu.	Other languages
Ganjam Plains.				
1. Ghumsur	180,615	165,058	5,156	10,401
2., Bodogodo (Surada I I)	23,877	22,037	244	1,596
3. Kodala	207,228	194,047	11,031	2 , W
4. Aska (less Sanokimedi)	151,501	139}782	8,560	3,159
4. Sanokimedi	58,769	51,110	6,059	1,600
Total	210,270	190,892	14,619	4,759

•The figures marked * are given only to facilitate comparison with those for mother-tongue for the same areas. In the map, however, only a taluk rectangle for Ramagiri has been shown, AS sectional rectangles would haw no apparent relation to the lines.

MOTHER-TONGUE—CONTD

Taluk or Seotion.	Population.	No. returning as their mother-tongue: Oriya.	Telugu.	Other languages.
Ganjam Plains—contd.				
5. Chatrapur (A.)	159,024	138,784	20,010	230
„ (B.)	28,141	11,463	16,573	105
Total	187,165	150,247	36,583	335
6. Bodokimedi	64,220	50,425	12,248	1,547
7. Berhampur (less Bodokimedi) A.	146,124	103,386	36,008	6,730
„ „ B.	95,565	25,924	69,545	96
Total	241,689	129,310	105,553	6,826
8. Ichchapur	80,300	52,385	26,881	1,034
9. Sompet A.	20,707	15,176	3,131	2,400
„ B.	99,928	18,654	78,642	2,632
Total	120,635	33,830	81,773	5,032
10. Tekkali	152,236	18,711	128,398	5,127
11. Parlakimedi	293,319	60,320	193,475	39,524
12. Chicacole	291,827	12,067	278,505	1,255
Ganjam Agency.				
1. G. Udayagiri	85,188	22,607	89	62,492
2. Pondakhol (Surada I)	2,837	1,726	9	1,102
Balliguda	108,955	32,496	55	76,404
Total	111,792	34,222	64	77,506
8. Ramagiri A.	35,698	23,532	57	12,109
„ B.	55,879	17,385	107	38,387
Total	91,577	40,917	164	50,496
4. Parlakimedi Maliahs	69,681	17,254	2,589	49,838

SUBSIDIARY LANGUAGE.

Taluk or section.	Population.	No. returning their subsidiary language as: Oriya.	Telugu.	"Hill and other languages.	No languages.
Oanjam Plains.					
1. Ghumsur	180,615	10,580	609	252	169,174
2. Bodogodo (Surada II)	23,877	1,646	14	60	22,157
3. Kodak	207,228	7,807	998	54	198,369
4. Aska	210,270	14,103	1,387	116	194,664
5. Chatrapur	187,165	16,725	2,641	226	167,573
6. Bodokimedi	64,220	11,267	1,268	11	51,674
7. Berhampur (excluding Bodokimedi).	241,689	18,417	11,389	220	211,663

SUBSIDIARY LANGUAGE,--CONTD,

Taluka or Section.	Population.	No. returning their subsidary language * Oriya.	Telagu.	*Hill and other languages.	No languages.
Oanjam Plains—oontd.					
6.. Ichchapur ..	80,300	7,975	2,500	30	**69,795**
9. Sompet	120,635	6,406	9,246	16	—
10. Tekkali ..	162,236	2,872	14,414	24	—
11. Parlakimedi	293,319	7,520	45,343	140	—
12. Chieacole	291,827	984	14,653	184	—
Ganjam Agency.					
1. G, Udayagiri	85,188	6,380	73	7,563	**71,172**
2. Pondakhol (Surada I) ..	2,837	192	3	58	**2,584**
Balliguda	108,955	718	30	6,145	99,062
Total ..	111,792	3,910	33	6,203	**101,646**
3. Ramagiri	91,577	22,698	491	4,503	63,885
4. Parlakimedi Maliahs ..	69,681	19,256	1,852	511	48,062

The castes classed as doubtful are those whose racial origin, though **all** available authorities were consulted, and enquiries were made from **local** officers, it was found impossible to determine. They have of course, **been** claimed by both Telugus and Oriyas, but it is not necessary for us, even if **it** were practicable, to adjudicate on the rival claims. In only a few **circles** (38 out of a total for Ganjam and the Vizagaptam Agency of 1,404) does **the** doubtful element hold the balance, and nowhere does it effect the broad **results** which the maps and tables disclose.

61. An examination of the maps and tables will show that in an **area** north of a line drawn from the Agency boundary along the northern boundary of the Jalantra estate, then north eastwards along the Ichchapur sub-taluq boundary to Purushottapur on the Grand Trunk Road, and thence north of **the** Surla Salt Factory, and south eastwards to Sonapur, the Oriyas are in a **large** majority by the tests both of race and language. A line drawn from Sonapur to Golantra would define still more exactly the Oriya and Telugu 'areas, but **see** paragraph 64; it would include part of the Rushikulya irrigation system. **The** figures, as nearly as they can be calculated, are—

	Race.	Language.
Oriyas	833,985	934,958
Telugus	168,982	160,156

The predominance is marked in all areas except the Chikati Zamindari, and **a** narrow coastal belt. In the Berhampur town the population is evenly divided, 48 per cent, being Telugu and 47 per cent, being Oriya. South of this **line** the Telugus outnumber the Oriyas except in the very small BodarasingW Zamindari. In the Agency tracts the aboriginal tribes are more than **two-**thirds of the population, but the Oriyas are not far short of one-third, **and** nearly one-third too speak Oriyas as their mother-tongue. The number of Telugus is negligible.

* For practical purposes these languages may be treated as the hill languages spoken • the primitive tribes.

62* The Oriyas complained that at present they suffered from many 4isadvantages. The grievances particularly emphasised were the lack of educational facilities and the preponderance of Telgus in the Government service. It was admitted that the attitude of the Madras Government had been sympathetic. And it is, we think, probable that if most of the clerks, postmasters and canal subordinates are Telugus, this is largely due to the fact that the Telugus are more enterprising and industrious. Just as the Telugus feel the pressure of Tamil competition, so the Oriyas find it difficult to hold their own against the Telugus, Still, it is natural that the Oriyas should demand in an area predominantly Oriya a major share in the Government services, and it is probable enough that the Telugu predominance does entail for them some inconvenience. It can hardly be doubted, too, that to some extent the education of the Oriya community has suffered. Oriyas who wish to become teachers must pass in Telugu, and it is apparently more difficult for them to do so than it is for Telugus to learn Oriya. Of the universities open to them Madras is distant, unfamiliar and uncongenial; at the new Andhra University Oriya is hardly likely to receive as much attention as Telugu ; and it is not always easy for them to secure admission at Cuttack. Nevertheless, the origin of the demand for re-union with Orissa is not to be found in any specific grievances against the present administration. The desire of the educated Oriyas of Ganjam to be included in a separate province of Orissa is genuine and strong ; but it is inspired by the ties of race, language, and history, of which they have become increasingly conscious during the last thirty years.

63. Subject to what is said below about the Parlakimedi zamindari, the educated Telugus are no less strongly opposed to the transfer of any portion of plains; they are less interested in the Agency tracts. They naturally prefer that the Ganjam plains should continue to be attached to the Telugu districts. They have nothing to gain by inclusion in an Orissa province, and whilst they do not admit that the Oriyas in Ganjam have any substantial grounds for complaint, they fear that their own interests will suffer under a government dominated by Oriyas. The Khonds and Savaras have probably no opinion. Very few of them know anything of the controversy that divides the Oriyas and Telugus, or are capable of forming any judgment thereon.

64. The transfer to a separate province of Orissa of such portion of the Ganjam district, as may on other grounds be thought desirable, will not, so far as we can see, involve any administrative difficulties. Ganjam is connected by road and rail with Cuttack, and is much nearer to Cuttack than to Madras. The whole of the Rushikulya irrigation system lies within the area of Oriya preponderance. A large part of the district is permanently settled, and though the ryotwari tenures have features peculiar to the Madras Presidency, we cannot think that their management would cause any trouble. The Madras tenancy law differs in some respects from that of Orissa, but so does the latter from the laws in force in Bihar, Chota Nagpur, and Sambalpur, all parts of a single province. Sambalpur was for many years part of the Central Provinces, and the old Central Provinces Tenancy law is still enforced there; a clear proof that a difference in tenancy law is riot an obstacle to the transfer of % district to another province. Nor can we take seriously the argument that appeals will lie to another High Court.

65. It has been argued on the Telugu side that a minority is entitled to special consideration if it exceeds twenty per cent, of the population, and we have been referred, in support of this contention, to the Minorities Treaties by which the minorities are protected in various parts of Europe, We cannot see that this argument has any application to the issue with which we are concerned. The Minorities Treaties regulate the treatment of minorities in countries whose boundaries had already been determined ; they cannot be cited to prove either that the Oriya claim fails because the Oriyas are less than 20 per cent, of the population of the Madras Presidency or that no area should be transferred in which the Telugus exceed 20 per cent. There is always an initial presumption against altering administrative arrangements of long standing, but, if a separate province of Orissa is to be created, we can discover no grounds which would justify refusing to include in it the area specified in paragraph 61. As we have shown, the Oriyas in this area outnumber the Telugus by nearly five to one, their desire for re-union with Orissa is genuine and deep-seated; and there are no administrative obstacles to the granting of it. It is unfortunate that this area includes a Telugu fringe; but the narrow coastal belt in which they predominate cannot be detached from the interior, and the wishes of a small minority cannot be the determining factor.

66. We are not, however, agreed as regards the Parlakimedi Zamindari, The majority of the Committee (the Hon'ble Mr. Mehta and Mr. Phookun) are in favour, for the following reasons, of adding this zamindari:—

" In conducting the enquiry as to what tracts now included in different provinces should be incorporated in the new Orissa province, if and when created, and in coming to definite conclusions about its boundaries, we have agreed to take among others, the following important facts into our consideration :—

(a) The race to which the people of those portions of the provinces belong.

(b) The language they speak as their mother-tongue.

(c) The language they speak as their subsidiary language.

(d) The wish of the people residing in those areas.

In determining the boundaries of the new province on the basis stated above we are unanimous in our recommendations except on the question of the inclusion of the Parlakimedi Zamindari where the population consists of Oriyas, Telugus and hill tribes such as Savaras and Khonds. We are all agreed that the Telugus in the said Zamindari form the majority of the population. There is also the population which has been treated as " doubtfuk " as they cannot be definitely classed as either Oriyas-or Telugus, but they are very small in number. On the population basis, therefore, the said Estate should ordinarily have been left where it is, *i.e.*, in the Madras Presidency and not transferred to the proposed Oriya province. But we find that the Zamindar of Parlakimedi who is an Oriya by race, caste and culture, and who is looked up to as the leading zamindar of Ganjam for his family connections with the Puri Bajas, is extremely keen on his estate being transferred to the new Orissa Province. As far back as 1924, the Raja of Parlakimedi moved a resolution for amalgamation in the Zamindars' Association of Ganjam, a very influential body indeed, and it was seconded by the Raja of Khallikote. They were unanimous in their opinion which was very strongly expressed. And as a matter of fact it is through the efforts of the Raja of Parlakimedi at the Round Table Conference that this enquiry about a separate Oriya province has been ttarted. We have it from the evidence tendered before us that in the sphere of social, religious, educational, and industrial improvements it is the Raja that the people look up to. He maintains a College for men and High Schools for boys and girls ; there is an institution for imparting higher education in Sanskrit and he awards scholarships. He has also constructed a railway line extending over 50 miles at his own expense. He treats his tenants justly and fairly irrespective of their being Oriyas or Telugus. This fact is corroborated even by the witnesses who deposed against amalgamation. The wish of such a Zamindar ought, in our opinion, to be taken into account and his opinion ought to carry great weight in deciding in which of the provinces his Estate should remain. Yet we consider that the mere wish of single person, however strong that wish might be, or the simple desire of a Zamindar, however good he may be, should not be taken as the only guiding factor when the interests of people other than those of his race are involved. We have to look over and beyond the present into the future. The Zamindar may be quite a good man to-day from everybody's point of view but he may not be so to-morrow: he may personally continue to carry on the good management of his estate in interests of all his tenants but his successors may not do so and may change their attitude in favour of their Oriya tenants. But when we find that a large number of Telugus residing in Parlakimedi expressing clearly their wish to go with the Raja to the new province of Orissa, we cannot but recommend the transfer of the said zamindari to the new Orissa Province. The Telugu witnesses, without a single exception, have stated in no uncertain terms that they are happy and contented under the Raja and have been living peacefully with the Oriyas within his territory. There has been no complaint that at any time preferential treatment had been given to the Oriya tenants. The Telugus and the Oriyas equally and entirely depend upon their Raja for all comforts and conveniences and for their well-being generally.

On the facts found we have not the least doubt that the tenants of the Parlakimedi Raj are treated well by the Raja and that they truly desire to follow him to the new Province of Orissa.

The Chairman of the Union Board of Varanasi and the Chairman of the Municipal Council of Parlakimedi, both Telugus, state that the said Union Board and the Municipal Council adopted resolutions unanimously supporting the amalgamation of Parlakimedi with the proposed Province of Orissa. The fact that the members of the said local bodies are mostly Telugus adds considerable weight to the resolutions adopted. The People's Association in Parlakimedi also adopted resolutions favouring amalgamation. A large number of Memoranda from Parlakimedi itself supporting amalgamation was presented to us. They contain the signatures of a large number of Telugus also numbering about five thousand. Telugu members of the District and Taluk Board* representing the said area also gave evidence in favour of amalgamation. Headmen of Telugu castes such as*Kapus, Baktis, Valamas, Kalingis, and Telangas, as representatives of their castes or as caste-heads, supported amalgamation.

The allegation that some of the signatures of the Telugus were obtained by undue influence could not in the least be substantiated. Savaras and Khotids, whatever their strength may be in the territory, clearly state through their representatives that they wish to go to the new Orissa province. The Christian community through their representative, Rev. Abraham Patnaik, also a member of the District Board, expressed their eagerness to be with the Oriyas in the new Province, The Oriya Zamindars of Ganjam in a body strongly desire the inclusion of Parlakimedi in the Orissa province. The Telugu tenants themselves have nothing to gain by remaining under the Madras Government but everything to lose by going against the desire of the Raja who has been very good to them. We have not the least doubt that the Telugu residents of Parlakimedi receive very fair treatment at the hands of the Raja and most of them wish to follow him to the new province.

The Chairman accepts the principle that the wish of the people should be conceded to and that their desire met and on that principle he would have recommended the transfer of Parlakimedi to the Oriya province if only he was convinced that the Telugus had no objection to go with the Raja to the new province, but unfortunately he is not so convinced. The quality of the evidence from Parlakimedi for inclusion is to our mind better and the quantity larger than the Telugu evidence against it and the whole weight of evidence is in favour of amalgamation. There is no doubt that there is some expression of feeling by some Telugus of Parlakimedi against amalgamation but it is very half-hearted indicating that it was fostered by the Ganjam Telugu influence. The Rajas of Parlakimedi have undoubtedly been very good to their Telugu tenants and it is to their interests to keep them happy and contented even when the Zamindari is transferred to the proposed Orissa province. If, however, in spite of the fact of the Telugus having always received impartial treatment from the Rajas they now go against his wish and desire, it is likely that he may change his attitude towards them. This will surely make them more unhappy than they can ever possibly be if they go to Orissa with him. * In support of our contention, we invite a reference to the finding of the Philip and Duff Committee. This Committee made extensive tours in the interior of the Parlakimedi estate to make detailed and careful investigation which we had not the opportunity of doing, and on the evidence received the said Committee came to the same conclusion, namely, that the people of Parlakimedi who count for anything, wanted amalgamation and the rest wanted to go by the wish of the Raja and on those considerations they recommended the inclusion of Parlakimedi into Orissa.

If most of the Ganjam Oriya Zamindars are taken away from Madras it is only natural that the Parlakimedi Estate also should go with the majority. We do not anticipate that the Telugu inhabitants will suffer in any way from the change recommended. Although it is a permanently settled area the Zamindar cannot enhance taxes at his own sweet will and the apprehension of some of the Telugus that their land-laws will be changed is unfounded. It would be very unfortunate if Parlakimedi is left out on account of a majority of its population being Telugus while other influential Oriya Zamindars are transferredJ;o the new province.

We, for the reasons stated above, do recommend that the Parlakimedi Zamindari should also be included within the boundary suggested by us."

The opinion of the Chairman is as follows :—

" The difference between me and my colleagues turns in the main on **the** view taken of the attitude of the inhabitants. My colleagues believe **that** most of them desire to be included in a separate province of Orissa: I do not. It is true that the Oriya claim was supported by Telugu witnesses, and petitions purporting to be signed by Telugus. It would be strange if sudh evidence were not forthcoming in an area owned by a zamindar who has been *a protagonist of the Oriya movement. I do not suggest that it has been obtained by improper means, but in judging the value of this testimony the influence of the zamindar cannot be ignored. My colleagues have argued that the evidence adduced by the Telugus has been fostered by the Ganjam Telugu influence, but this argument is double-edged. There is no reason to suppose that the propaganda of the Oriyas has been less active than that of the Telugus, and it is difficult to believe that it has not had the support of the estate officials. In a case of this kind, however, the issue cannot be settled by arguments; the final appeal must be to the impression left by the evidence on those who heard it, and to my mind the evidence as regards the attitude of the Telugus is quite unconvincing. I do not believe that the tenants have any views on the question of amalgamation with an Orissa province. They are cultivators whose main concern is with crops, rents and prices, and whose outlook is restricted to the village. Of the educated Telugus, mostly residents of Parlakimedi, it may be that some are * willing to go with the Raja to the new province ', but that as a whole they are in favour of the transfer of the zamindari, I simply do not believe.

" If this is the position then, as my colleagues justly observe, we must look beyond the present and to the future. With all that they say regarding the Raja of Parlakimedi I cordially agree. It is admitted on all hands that he has done much for the welfare of the estate. But I do not share their fear that if the Parlakimedi zamindari is excluded, his attitude will change, nor even if I did could I admit that this is a consideration that should seriously influence the decision. Language and race are abiding facts, and ultimately of far greater importance than the reactions of the zamindar. More than half the total population is Telugu by race, and Telugu is the mother tongue of nearly two-thirds; and the subsidiary language of forty-five thousand persons. If Parlakimedi is added to a province of Orissa, sooner or later, and probably before very long, an agitation will arise inside and outside the estate for its re-union with the Telugu districts, which will embitter the relations between the Oriyas and the Telugus. In settling the boundaries of the new province, the line should be so drawn as to leave, so far as possible, no minority problem. The boundary which I propose gives to Orissa all the areas in which the Oriya population predominates. If it includes a Telugu minority, that minority is as small as it is practicable to make it; and it satisfies, therefore, so far as the circumstances permit, the test on which the Statutory Commission laid stress, namely, the greatest measure of agreement between the area gaining and the area losing territory."

67. In the Agency tracts, as we have seen, the number of Telugus is negligible; whilst the Oriyas are a substantial proportion of the population, and Oriya is clearly destined to become the language in general use. It is,

too, convenient, indeed, if our recommendation in paragraph 71 below regarding the Vizagapatam Agency is accepted/ almost * inevitable, that the Agency arfca should be administered from the plains which they adjoin. It is arguable that for this reason the Parlakimedi maliahs should go with the Parlakimedi zamindari* which one of us would not assign to Orissa. It is not, however, part of the zamindari, includes a substantial Oriya element; And is governed by Oriya Bissoyis. Moreover, the balance of advantage seems to lie in placing all the Agency areas of Ganjam under one administration. We are agreed, therefore, in recommending that all these tracts should be included in the new province.

(11) *Vizagapatam Agency.*

68. The Vizagapatam Agency tracts (of which all except the Gudem Agency is claimed by the Oriyas) are the hill areas, forming part of the Eastern Ghats which lie to the west of the coastal plain* The original inhabitants were aboriginal tribes, but at some remote time the country was invaded by Oriyas, who imposed their rule upon them. Most of it was from the 15th century till the advent of the British under the rule of the Jeypore Rajas who were, nominally at least, tributaries first of the Gajapati Kings and later of the Golconda Bängs. After the overthrow of the latter by Aurangzeb, the Agency areas formed part of the Chicacole Circar which, with the other northern Circars, were ceded by the Mughal Emperor to the British in 1765. But for a long period they remained under native rule; from 1803 to 1848, Jeypore was an almost unknown country to the officers of the district, and its effective administration may be said to date from 1863. Even since that date there have been numerous rebellions (fituris) of the aboriginal tribes the last of which occurred only a few years ago. The system of administration now *in* force, and the constitutional status of the Agency are as described in paragraph 56 above, on the Ganjam district,

69. It is unnecessary to refer to the earlier Census reports because there is no dispute about the racial composition of the population and the languages spoken. For 1931 the figures are :—

RACE.

Serial No.	Taluk or Section.	Population.	Oriya.	Telugu.	Neither.	Doubtful.
	Vizagapatam Agency.					
1.	Naurangpur	198,911	140,328	4,460	49,625	4,498
2.	Jeypore	201,060	141,455	6,002	48,598	5,005
3.	Koraput	74,898	29,725	2,991	41,308	**874**
4.	Pottangi	97,427	35,432	9,021	52,519	455
	Salur Agency	6,253	57	313	5,883	..
	Total ..	103,680	35,489	9,334	58,402	455
5.	PadwaA.	88,812	30,445	12,251	45,987	**129**
	grangavarapukota Agency ..	5,362	866	1,290	3,205	1
	Total ..	94*174	31,311	13,541	49,192	130

RACE—contd.

Serial No.	Taluk or Section.	Population.	Oriya.	Telugu.	Neither.	Doubtful.
	Vizagapatam Agency—contd.					
6.	Padwa B.	40,768	9,605	16,670	14,480	13
	Viravilli Agency ..	5,293	1,178	2,678	1,437	..
	Total ..	46,061	10,783	19,348	15,917	18
	Padwa ..	129,580	40,050	28,921	60,467	14?
7.	Malkanagiri A.	30,155	20,308	1,640	5,420	2,787
	Malkanagiri B.	46,091	8,538	6,072	28,575	2,906
	Total ..	76,246	28,846	7,712	33,995	5,693
8.	Gudem	23,547	195	17,616	5,718	18
9.	Golgonda Agency	20,831	290	18,214	2,303	24
10.	Parvatipur Agency	42,651	5,668	2,623	34,353	7
11.	Rayagada	83,412	14,335	5,946	62,474	657
12.	Bissamkatak	64,755	22,800	1,691	40,168	96
13.	Gunupur	120,854	22,348	11,875	86,386	245
14.	Palkonda Agency	13,918	464	83	13,371	..

MOTHER-TONGUE.

Serial No.	Taluk or Section.	Population.	No. returning as their mother-tongue Oriya.	Telugu.	other
	Vizagapatam Agency.				
1.	Naurangpur	198,911	172,828	1,008	25,075
2.	Jeypore	201,060	172,039	4,714	24,307
3.	Koraput	74,898	52,082	1,082	21,731
4.	Pottangi	97,427	47,098	8,486	41,84*
	Salur Agency	6,253	63	697	5,493
	Total ..	103,680	47,161	9,183	47,336
5.	Padwa A.	88,812	49,621	18,267	20,924
	Srungavarapukota Agency	5,362	1,586	2,728	1,048
	Total ..	94,174	51,207	20,995	21,972
6.	Padwa B.	40,768	3,247	32,121	5,400
	Viravilli Agency	5,293	46	4,426	821
	Total ..	46,061	3,293	36,547	6,221
7.	Malkanagiri A.	30,155	23,247	1,361	5,547
	Halkanagiri B.	46,091	6,742	4,343	35,006
	Total ..	76,246	29,989	5,704	40,563

MOTHER-TONGUE—*contd.*

Serial No.	Taluk or Section.	Population.	No. returning as their mother-tongue		
			Oriya.	Telugu.	Other languages.
	Vizagapatam Agency—contd.				
8	Gudem	23,547	12	23,100	435
9	Golgonda Agency	20,831	107	20,681	43
10	Parvatipur Agency	42,651	5,943	4,463	32,240
11	Rayagada	83,412	15,181	9,772	58,459
12	Bissamkatak	64,755	23,274	6,895	34,586
13	Gunupur	120,854	22,041	29,280	69,533
14	Palkonda Agency	13,918	208	1,393	12,317

SUBSIDIARY LANGUAGE.

Serial No.	Taluk or Section.	Population.	No. returning as their subsidiary language			
			Oriya.	Telugu.	Hill and other languages,	No languages.
	Vizayapatam Agency.					
1	Naurangpur	198,911	14,540	366	1,221	182,784
2	Jeypore	201,080	20,823	1,499	355	178,383
3	Koraput	74,898	13,158	315	423	61,002
4	Pottangi	97,427	26,147	5,574	457	65,249
	Salur Agency	6,253	12	4,900	3	1,338
	Total	103,680	26,159	10,474	460	66,587
5	Pailwa	129,580	13,963	7,766	2,014	105,837
6	Srungavarapukota Agency	5,362	76	1,617	16	3,653
7	Viravilli Agency	5,293	..	600	67	4,626
8	Malkanagiri	76,246	6,384	5,646	1,006	63,210
9	Gudem	23,547	2	381	5	23,159
10	Golgonda Agency	20,831	21	105	206	20,499
11	Parvatipur Agency	42,651	934	12,153	425	29,139
12	Rayagada	83,412	10,314	13,069	1,855	58,174
13	Bissamkatak	64,755	725	75	12	63,943
14	Gunupur	120,854	21,022	20,062	1,162	78,608
15	Palkonda	13,918	1	11,883	274	1,760

It will be seen that in the area outside Gudem and Golgonda out of a total population of 1,120,620 nearly 43% are Oriyas by race, and nearly 53% speak the Oriya language. Further, in all except a few tracts the population that is Oriya by race greatly exceeds the Telugu element; and linguistically the Oriya predominance is still more marked.

70. The Vizagapatam agency is, as its history indicates, a very backward tract. The number of persons who are capable of forming a judgment on any political question is very limited. The Maharajah of Jeypore, however, though evidently not free from anxiety as to the financial consequence

of transferring the Agency, favours its inclusion in a separate province **of Grissa** ; **and so** also does such other opinion as exists. On the Telugu side there was next to no opposition. A few Telugu witnesses said they did not wish to be transferred to Grissa, but it was clear that the Telugu leaders are indifferent to the fate of the Agency. Nor is the reason for this far to seek. It is to be found in the movement for the creation of an Andhra province. The Agency areas outside Gudem and Golgonda contain only **a** few Telugusy and financially they are a liability rather than an asset. The Telugu politicians therefore are not unwilling that they should be detached from the Telugu districts.

71. A common language tends to create a feeling of solidarity, and if the Agency tracts are excluded, the sentiment in favour of their union with Orissa will intensify as education spreads and the tribal languages are replaced by Oriya. Unless therefore there are insuperable administrative or other difficulties, there is a strong case for including in the new province the Agency areas claimed by the Oriyas except (1) the hill Madgole estate which is not part of the Jeypore impartible estate, and corresponds roughly with the area of Telugu predominance in Padwa ; (2) the Veravilli and Srungavarapukota tracts where the Telugus are more numerous than the Oriyas ; (3) the Palkonda tract ; here both the Oriyas and Telugus are few in number, and administratively its attachment to the Palkonda (plains) taluk seems desirable ; (4) the south-eastern portion of Gunupur which belongs to the Kurupam estate and is not part of the Jeypore impartible Zemindari. In Gunupur as a whole the population speaking Telugu somewhat exceeds that speaking Oriya, but by race the Oriyas are nearly twice as numerous, and, moreover, Gunupur is part of the Jeypore Zamindari. In Salur the number both of Oriyas and Telugus is very small, and while part of it belongs to the Pachipenta estate owned by the Maharaja of Jeypore, part belongs to the Salur Zamindar. On the whole, however, it seems preferable that here the boundary should follow the line that at present divides the Agency and the rest of the district.

72. The objections to transferring this area are essentially administrative **and** economic. The principals are : (1) the main roads in the Agency and the Raipur-Vizianagram railway run down to the coast. The lateral communications are poor, and there is no route that in practice would ever be used from the Ganjam Agency to the Vizagapatam Agency ; (2) the produce of the Agency is exported to the plains, and both its import and its export trade are in the hands of the Telugu Komatis of the plains ; (3) the Godavari canal depends for its supplies on the streams which drain the ghats and the country west of them into the Godavari river, and the supply of water in the hot weather might be seriously affected if the forests in parts of the agency were not adequately protected. The Madras Government can at present enforce whatever measures may be required for this purpose, but would have no such power if the forests were under another Government ; (4) there have been frequent rebellions (fituris) amongst the tribes and though there is a force of armed police at Koraput the reserves at Vizagapatam are also available and might be needed.

73. There is undoubtedly some force in these objections, but we do not **regard** them as insuperable or even as very serious. Our reasons are :—**(1) Prom Ganjam** the approach to the Vizagapatam Agency is no doubt by the

roads (or the railways) leading up from the coast. But this only means that inspecting officers, such as the Inspector General **of** Police **and the Director of** Public Instrucfcion will have to travel **along** the coast, **and thence by car or rail to** the Agency tracts. They will have, in so doing, to traverse territory outside their province, but we do not see that this need give rise to any difficulty. (2) Since there are no internal customs barriers, **a** change in the **provincial** boundary will not affect the course of trade which will follow the **same routes and** be in the same hands as before. (3) Under the present constitution the Central Government can intervene on any question affecting more than one province, and it is a reasonable assumption that under any future constitution there will be some authority or tribunal to which Madras Government can appeal if the supply of water to the Godavari canals is endangered by the destruction of the forests in the Jeypore estate. (4) The armed police reserves at Koraput will probably have to be strengthened, if the Agency tracts are transferred, since it will take longer to reinforce them from other districts, but the addition to their strength required will not be large.

Our view is therefore that the areas specified in paragraph 71 should be included.

74. This concludes our examination of the proposals and suggestions **that** have been brought to our notice. It will be seen that if the boundaries are fixed as we propose, the province of Orissa will include the Orissa division, Angul, the Khariar Zamindari of the Raipur district, and the greater part of the Ganjam district and of the Vizagapatam Agency tracts. It will have an area of approximately 33,000 square miles and a population of about 8,277,000 persons.

CHAPTER II.

THE FINANCIAL AND OTHER CONSEQUENCES IN ORISSA.

75. In framing our estimates of the revenues of a new province of Orissa, we have assumed that its sources of revenue will be those at present allocated to the provinces. There is, indeed, no other aqjumption on which we could have proceeded. We realise that the constitution, which is now being worked out, will in all probability involve a redistribution of sources between the central and provincial Governments, but we have no means of forecasting the changes that will be made in the present (Meston) settlement, and cannot, therefore, take account of them in our calculations. It will not, however, be difficult to make, when the time comes for so doing, the corrections that they may necessitate.

76. In our estimates of expenditure we have, similarly, adhered closely to existing standards both of salary and administration. We recognise that both may be affected, indirectly if not directly, by the provisions of the new constitution, but here again it is obviously impossible for us to foresee the nature and extent of the changes. And we are, clearly, not a retrenchment committee, charged with the task of devising a scheme for the administration of the new province on lines entirely different from those that are being followed in the rest of India. At the same time, in framing our estimates of expenditure, we have, as the financial appendices to the report will show, assumed that so far as is compatible with the present system, the most economical arrangements will be adopted by the new province ; for example, that Orissa will not have a High Court and University of its own, and that as regards long-term prisoners, the training of constables, etc., it will rely on institutions maintained by Bihar, to the cost of which it will make a contribution.

77. Our estimates relate only to the Orissa division, Angul, the portion of the Vizagapatam Agency on the inclusion of which we are agreed, and the Ganjam area, which the majority propose to transfer to Orissa. We have not thought it necessary to calculate what the effect of excluding Parlakimedi would be : it would obviously not be important. The remaining areas are the Padampur estate, the revenue and expenditure of which are negligible, and the Khariar zamindari. Khariar is only a small portion of one tahsil, and we are satisfied that detailed estimates for this small tract, even if they could be accurately prepared would not repay the time and trouble involved. A statement obtained" from the Commissioner of the Raipur Division shows that the revenue from all heads (except stamps) is approximately Rs. 63,500 and that the expenditure under Excise, Police, Land Records, Administration of Justice, and Medical amounts to approximately Rs. 35,000. It is clear that allowing for the cost of a new tahsil, the revenue will cover the expenditure, and perhaps leave a balance of a few thousand rupees. We have, therefore, assumed that the inclusion of this zamindari will not affect the financial consequences of creating a province of Orissa.

78. The duties levied on liquor, opium and other excisable articles and the fees charged under the Stamp and Registration Acts are not the same in Bihar and in the Madras areas. Our calculations are based in both cases on the laws and orders now in force. It is possible that the enhancement of the lower

scales might yield some additional revenue, but it is doubtful whether in practice there would be any net gain ; and in any case the matter is one that must be left for the consideration of the new Government and its legislature. We have not the data that would enable us to estimate the effect of revising the present scales. Similarly, we have assumed that the present rates of pay of Government servants, which in some cases differ though not markedly, will continue to be paid. It majfr well be found advisable for administrative reasons, to adopt for both areas uniform rates, but this would make very little difference to the finances of Orissa.

79. As regards interest and the reduction of debts, we take the same view as the Sind Financial Enquiry Committee, namely, that the only equitable distribution both of assets and debts is for Orissa to take over all assets situated in the new province, and for Bihar and Madras to take over all those situated in Bihar and Madras, each party taking with its assets any liabilities attached to them. This is the principle that has been adopted in the past whenever any redistribution of territory has been made. We need not set out the arguments on which this view is based. They are given fully in the Sind Committee's report, with whose statement of the case we are in full agreement.

80. It will be seen from Appendices I and II that the basic revenues of the province of Orissa are 136-58, and that the basic expenditure (including debt charges) is 152-50. To the latter figure, however, must be added the cost of separation, that is, the charges over and above the basic expenditure which the creation of a new administration will involve. These amount to 18-23, bringing the deficit to 34-15 in the first year of separation; and allowing for normal expansion of expenditure in that year, the total deficit in the first year will amount to 35-21.

81. But we anticipate that the revenue will also increase as the trade depression passes away, and prices to some extent recover. On the other hand, expenditure will also rise gradually, mainly under education, pensions, interest, and in the first ten years under civil works. Statements I to III in Appendix V show for both revenue and expenditure, the growth which we anticipate and Statement IV indicates the effect on the amount of the initial deficit. It will be seen that the deficit will rise from 35-21 to 40-93 in the fifteenth year.

82. Neither the initial nor the subsequent deficits can be met to any appreciable extent by the imposition of any new taxes, such as a succession duty, which it is at present within the competence of a province to impose. There are no data on which we can estimate precisely the yield of such taxes, but there can be no reasonable doubt that it would go a very little way to reducing the adverse balance. The deficits can thus be met only by the allocation of new sources of revenue or by a subvention from the Central Government, or by a combination of both methods.

83. It will not be possible for Orissa to maintain self-contained cadres for the All-India services. In these services, and perhaps for such posts as that of Chief Engineer, it will be necessary to borrow officers from other provinces. The inconveniences of this course, more especially as the language of Orissa differs from that of the neighbouring provinces (though it can be

easily mastered by any one familiar with Bengali), are clear, but we see no alternative to its adoption. In other respects, the new province will not, so far as we can judge, be faced with any special administrative difficulties. Angul and Sambalpur are separated from the coastal districts by wide stretches of Indian State territory, and their communications with the coast are, therefore, dependent on the roads maintained by the States. It is important for that reason that her relations with the latter should be cordial; but this is also the present position. And Orissa should be almost entirely exempt from the communal troubles from which other provinces have suffered. The number of Muhammadans is very small; and the Telugu minority is not large, nor are its relations with the Oriyas ever likely to be so embittered as those between Hindus and Muhammadans have sometimes been.

CHAPTER III

THE FINANCIAL AND OTHER CONSEQUENCES IN ADJOINING BRITISH TERRITORIES.

84. Appendices III and IV show that in consequence of the creation of the new province the Bihar Government and the Madras Government will benefit annually to the extent of 3*16 and 17*84 respectively. These estimates will doubtless need some modification whenever the arrangements for separation are worked out by the Governments concerned; but we believe that the margin of error is small, and that the final results will not differ markedly from our calculations.

85. The inclusion of the Orissa division and of Angul in the province of Bihar and Orissa is the result of historical circumstances. These territories are not linked with Bihar by geographical position, race or language, and their detachment will not in any way inconvenience the latter. After separation, Bihar will have an area of just under 70,000 square miles, and a population of nearly 33 millions. The Secretariat and overhead staff will not be affected and the service-cadres will still be self-contained, even if for certain services joint cadres for the two provinces are not maintained. But separation will appreciably increase the proportion of the Muhammadans to the Hindu population. In the present province, there are 31,011,474 Hindus And 4,264,790 Muhammadans, that is, the Muhammadan proportion is 1: 7' 3. Of the population to be transferred, 5,096,431 are Hindus and 124,463 are Muhammadans ; and the Muhammadan proportion will accordingly be raised to 1 : 6 • 4. This change will doubtless necessitate the allotment to the Muhammadans of a larger proportion of the seats on the legislature than they at present hold,

86. The loss of the Kbariar zamindariand Padampur estate can have no consequences of any importance for the Central Provinces.

87. The Madras Presidency will lose a population of about 2| millions and an area of about 18,000 square miles. It will still however be one of the largest provinces in India, with a population of just under 44 millions and an area of over 1,24,000 square miles. There will be no reductions in the Secretariat and other overhead staffs, and the very small reductions in certain services will not affect their self-contained character. The portion of Ganjam which we do not propose to include in the new province can easily be absorbed by the Vizagapatam district, since it will not more than counterbalance the loss of most of the Vizagapatam. In the Madras presidency, therefore, the creation of the new province will not entail any administrative difficulties. The Hindu Muhammadan proportion will be slightly altered, from 1: 12.5 to 1; 11-6, but whether this small change will affect the number of seats allotted to Muhammadans, we are unable to say. Obviously, even if it does, the effect on the distribution of seats will be very slight.

88. The creation of a province of Orissa will undoubtedly stimulate the demand for a revision of provincial boundaries on linguistic and racial lines; it will encourage the Telugus to press their demand for an Andhra province, and may revive or create similar demands on behalf of other communities

linked by ties of race and language. It is not for us to say whether such claims **can** or should be conceded. But the encouragement which they will receive, is probably the most important consequence that the formation of **the new province** will entail.

S. **P. O'DONNEIiL.** ***Chairman.***

T. R. PHOOKUN.
Members.
H. M. MEHTA.

B. C. MUKHARJI,
Secretary.

Ranchi, *the 19th April 1932.*

FINANCIAL APPENDICES.

(Appendices of a non-financial nature have been printed in Volume II of the Report.)

Note **1.—Throughout the appendices, figures are given in lakhs of rupees and decimals of a lakh without any prefix; thus 18.26 represents Rs. 18,26,000. Wherever, as in giving salary rates, the prefix Rs. occurs the actual number of rupees is signified.**

Note 2.—**Except where otherwise stated, Orissa includes the district of Angul.**

FINANCIAL.

APPENDIX I.

REVENUE.

Detailed notes showing—

A.—Basic figures.

B.—Expansion.

Basic figures of receipts.

Major Head.	Average of Orissa.	Average of Vizagapatam.	Average of Ganjam.	Total of the averages.	Basic figure.
II.—Income-tax ., ...	0·70	005	0·35	1·10	0·95
V.—Land Revenue	36*71	0·25	11·77	48·73	51·70
VI.—Excise	33·72	5·31	9·09	48·12	43·19
VII.—Stamps	13·40	0·46	3·37	17·23	17·34
Vni.—Forests	3·91	..	2·08	5·99	4·35
IX.—Registration	1·68	..	0*56	2·24	1·85
XIII.—Irrigation	10·10	• •	009	10·19	9*14
XTV\—Miscellaneous Irrigation ..	0·13	..	..	0·13	0·13
XVII. Administration of Justice ..	0·72	011	0·2f>	1·08	1·20
XVIII ·Jails and Convict Settlements	0·32	002	006	0·40	0·34
XIX.—Police	0·15	0·06	0·10	0·31	0·45
XX.—Ports and Pilotage	..	• •	..	..	..
XXI.—Education	1·38	*.	002	1·40	1·36
XXII.—Medical.	0·21	007	..	0·28	0·28
XXni.—Public Health	002	..	..	002	005
XXIV.—Agriculture	0·37	..	001	0·38	0·40
XXV.—Industries	0·21	..	009	0·30	0·30
XXVI,—Miscellaneous Departments	..	001	007	008	0·21
XXX.—Civil Works	0·65	1·70	003	2·38	1·68
XXXm.—Receipts in aid of auperannuation	0·27	008	0·16	0·51	0·51
XXXIV.—Stationery and Printing ..	0·05	001	002	0·08	0·26
XXXV.—Miscellaneous	002	003	0·13	0·18	0·55
XVI.—Interest	0·15	0·02	0·17	0·34	0·34
Total ..	104·87	8·18	28·42	141·47	136·58

Statement tif basic receipts.

Items,	Bihar aadOrissa Province. Orissa.	Madras Presidency. Vizaga· patam.	Qanjam.	Total of Columns 3 & 4.	Total basic receipts Columns 2 & 5.
1	2	3	4	5	6
II.—**Taxes** on Income	0·55	005	035	0·40	0·95
V.—Land Revenue	40*43	0·25	11·02	11·27	51·70
VI.—Excise	28·79	5·31	909	14·40	43·19.
VII.—Stamps	13·60	0·51	3·33	3·84	17·34
VIII.—·Forests	2·65	..	1·70	1·70	4·35
IX.—Registration	1·29	..	0·56	0·56	1·85
XIII.—Irrigation receipts ..	9·05	..	009	0·09	9·14
XIV.—Miscellaneous Irrigation ..	013	..	..	..	013
XVII.—Administration of Justice ..	0·84	0·11	0·25	0·36	1·20
XVIII.··Jails and Convict Settlement	0·25	003	0·06	009	0·34
XIX.—Police	0·26	006	013	0·19	0·45
XX.—Ports and Pilotage	..	..	..	..	..
XXI.—Education	1·33	0·01	002	003	1·36
XXII.—Medical	0·21	0·07	..	007	0·28
XXIII.—Public Health	005	..	..	..	005
XXIV.—Agriculture	0·39	..	001	001	0·40
XXV,—Industries	0·21	..	009	009	0·30
XXVI.—Miscellaneous Departments	007	003	011	014	0·21
XXX.—Civil Works	0*65	100	003	1*03	1·68
XXXIII.—Receipts in aid of superannuation	0·27	008	0·16	0·24	0·51
XXXIV.—Stationery and Printing ..	0·23	0·01	002	003	0·26
XXXV.—Miscellaneous	0·39	*003	013	0·16	0·55
XVI.—Interest	0·15	002	017	019	0·34
Total ..	101·69	7·57	27·32	34·89	136·58

Statement of Eoeptmsion of Revenue.

Major Heads.	Bihar and Orissa province. Orissa.	Madras Presidency Vizagapatam.	Madras Presidency Ganjara.	Total for Madras Presidency Columns 3 & 4,	Total Expansion of revenue,
II.—Taxes on Income	..	..	..	..	..
V.—Land Revenue	..	..	..	..	..
VI.—Excise	1·71	..	..	..	1·71
VII.—Stamps	0·67	..	..	..	0·67
VIII.—Forests	0·60	..	..	..	0·60
IX.—Registration	0·39	0·05	..	0·05	0·44
XIII.—Irrigation Receipts ..	..	..	..	..	..
XIV.—Miscellaneous Irrigation ..	..	..	..	..	..
XVII.—Administration of Justice ..	..	..	..	..	..
XVIII.—Jails and Convict Settlements	..	..	..	..	..
XIX.—Police	..	..	..	..	..
XX.—Ports and Pilotage	..	..	..	..	..
XXI.—Education	..	..	..	..	..
XXII.—Medical	..	..	..	..	..
XXIII,—Public Health	..	..	..	..	..
XXIV.—Agriculture	..	..	..	..	..
XXV.—Industries	0·34	..	..	..	0·34
XXVI.—Miscellaneous Departments	..	..	..	..	..
XXX.—Civil Works	..	..	..	..	..
XXXIII.—Receipts in aid of Superannuation	..	..	..	..	..
XXXIV.—Stationery and Printing ..	..	..	..	..	..
XXXV.—Miscellaneous	..	..	..	..	..
XVI.—Interest	..	..	..	..	..
Total ..	3·71	0·05	..	0·05	3·76

II.—INCOME-TAX.

(1) ORISSA.

Under Rule 15 of the Devolution Rules, whenever the assessed income of **any** year exceeds in any province the assessed income of 1920-21, the Local Government of that province is credited with an amount calculated at three pies in each rupee of the amount of such excess. The amounts credited to the Bihar and Orissa Government in recent years and the share of Orissa were:—

Year.	Whole Province.	Orissa.
1927-28	3·20	0·82
1928-29	4·74	0·59
1929-30	4·49	0·70
Total ..	12·43	2·11
Average ..	4·14	0·70

A.—*Basic figure*,

2. Orissa's share in 1927-28 as compared with the total for the whole province seems too high and for that reason it is not comparable with the figures of later years which themselves are somewhat higher than in view of the trade depression the yield of future years is likely to be. It would probably be unsafe for the new Government to anticipate an average annual receipt of more than 0·55.

Basic revenue .. .. ., ... 0·55

B.—Expansion is *nil.*

(2) VIZAGAPATAM.

A.—*Bade figure.*

3. Similarly the share of the new province in Income-tax arising out of the Jeypore Agency in the same years was as follows :—

1927-28	003
1928-29	0·05
1929-30	0·06

The average is 0*05 which we adopt.

B.—Expansion is *nil.*

(3) GANJAM.

A.—*Basic figure.*

4. Corresponding figures for Ganjam are :—

1927-28	0·36
1928-29	0·45
1929-30	0·23

The average is 0·35 which is taken as the basic figure,

B.—Expansion is *nil.*

Summary.

5.

(1) ORISSA.

Basic revenue	0·55
Expansion	Na

(2) VIZAGAPATAM.

Basic revenue	0·06
Expansion	*Nil.*

(3) GANJAM.

Basic revenue	0·35
Expansion	*Nil*
Total basic revenue ..	0·95
Total expansion ..	*Nil.*

V.—LAND REVENUE.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Ordinary revenue	156·74	30·89	158·14	33·13	161·47	35·69
Sale of Government Estates ..	0·01	..	(143)	..	(360)	..
Sale proceeds of waste lands and redemption of land tax ..	0·04	(226)	0·03	0·01	0·02	(231)
Assessment of alienated lands less quit rents	0·07	..	0·13	..	0·07	..
Recoveries on account of survey and settlements	4·12	2·48	4·50	1·82	3·98	1·47
Rents, etc., of fisheries ..	0·05	(24)	0·10	(144)	0·10	..
Recovery of cost of maintenance of boundary pillars ..	0·01	0·01	0·02	0·02	0·01	(326)
Rates and cesses on lands ..	1·14	0·08	1·89	0·10	0·06	0·01
Recoveries of overpayments ..	0·02	0·01	0·01	(36)	0·03	(34)
Collection of payments for services rendered	..	..	..	..	4·63	0·21
Miscellaneous	6·92	163	9·97	1·35	7·77	1·29
Deduct—Refunds	0·44	0·03	0·80	0·02	0·32	0·02
Total land revenue ..	168·68	35·07	173·99	36·41	177·82	38·65

A.—*Basicfigure.*

6. The head ' Collection of payments for services rendered' was opened only in 1929·30 to record receipts which were formerly credited to ' Rates and Cesses on lands ' and some receipts pertaining to the sub·head * Miscellaneous*. This explains the absence of receipts in the first two years against' Collection of payments for services rendered ' and a fall in receipts in 1929·30 as compared with previous years under ' Rates and Cesses on land ' and ' Miscellaneous '. The average, however, is not affected.

7. The average of Orissa receipts is 36·71 which includes 33·24 on account of ordinary land revenue and 1 • 92 representing recoveries on account of Survey and Settlements. Omitting for the present these two items of receipts, the average comes to 1·55.

8. The collection of ordinary land revenue, it will be noticed, was in 1927·1928, 30·89, 33·13 in 1928·29 and 35·69 in 1929·1930. It is steadily rising. This is in a large measure the result of revision of Survey and Settlement operations which the Bihar and Orissa Government has been conducting in Orissa. These operations had not been closed in 1929·30 and are expected to be finished only in December 1932 and it will be some time before the full revenue can be realised. It is anticipated that the demand of land revenue in the districts of Cuttack, Puri and Balasore will be 34·13, but owing to temporary concessions will not be fully realised till 1944·45 ; but the demand for 1932·33 has been put down at 34·08 (only Rs. 5,000 less than the ultimate estimated demand). This may, therefore, be accepted as the basic demand of ordinary land revenue from the three coastal districts. For the two other districts of Orissa, *viz.*, Sambalpur and Angul, the following are the relevant figures of past years—

Year.	Angul and Khondmals.	Sambalpur.
1927.28	**1·17**	**2·96**
1928·29	**1·57**	**3·09**
1929·30	**1·66**	**3·19**

Here again the figures of 1927·28 are not comparable with those for the later years. The somewhat sudden increase of 0·40 in Angul in 1928·1929 was due to revision of settlement in Government Estates and the steady increase in Sambalpur is due to the progressive increment of zamindari assessment in that district. It will, therefore, serve no useful purpose merely to take the average of the three years. As a ready expedient, we may take as our basic figure of revenue in these two districts at 99 per cent, of the demand for 1929·30. (The actual collection percentage in that year in the two districts was 99·99 and 99·76 respectively.) The demand for that year being 4*85, the basic figure may be taken as 4·80. The total amount of ordinary land revenue which the new Government may therefore expect comes to 38·88.

9. The average receipts of Orissa for the three years 1927·28 to 1929·30 include 1 • 92 representing recoveries on account of Survey and settlements. These are merely recoveries of the cost of survey and settlement undertaken by Government on behalf of such non·Government bodies as municipalities, etc.

The terms governing such recoveries vary in each case, according to the previous agreement between the Government and the local body; but *in* no case does the recovery exceed the actual cost, though in some cases, Government may and does sometimes agree to bear a portion. As on the terms most favourable to Government, the recoveries shown on the revenue side will be counterbalanced by a similar figure on the expenditure side and as there is no regular demand for such surveys, the receipts on this account may be left out of our basic figures on either side.

10. The figure of land revenue is therefore calciflated as below:—

Ordinary land revenue	38-88
Other receipts .. ..,	1-55
Total ..	40-43

B.—*Expansion.*

11. There is no scope for expansion of revenue under this head. The only direction in which Government could expect increased revenue is revision of temporarily settled areas ; but as the settlement operations are just closing, there will be no new settlements in these areas till 1957.

(2) VIZAGAPATAM.

A.—*Basic figure.*

12. The greater portion of the district which is to go to the new province forms what is known as the Jeypore Estate belonging to the Maharaja. The estate is under the permanent settlement system. He also pays land revenue in respect of a portion of the Pachipenta Estate. In addition, there are also some miscellaneous land revenue collections. The actuals of the four years are given below :—

Year.	Jeypore Estate.	Jeypore portion of Pachipenta Estate.	MiseeJla-neou? land revenue.	Total.
	Rs.	Rs.	Re.	Rs.
1927-28	20,485	1,890	315	22,690
1928-29	20,485	1,890	7,285	29,660
1929-30	20,484	1,890	688	23,062
1930-31	20,484	1,890	981	**23,355**
Total ..	..	..	..	**98.767**
Average ..	•.	,,	.,	**24,692**

13. In addition, the following amounts wese also recovered as land re* renue in the years concerned from the two estates—

	Rs.
1927·28	1,18,306
192820	1,17,919
1929·30	1,17,919
1930·31	1,17,918
Total	4,72,122
Average	1,18,030

But this is really local cess which is collected by Government in the first **instance** and subsequently paid to the Agency Local Board. It is not, **therefore,** land revenue proper which ultimately remains with Government **and should,** therefore, be altogether neglected for our purpose. The basic **figure of land** revenue may, therefore, be put at Rs. 24,692 or 0·25.

B.—*Expansion.*

14. As the whole area is under the permanent settlement system, **there** is **no** expansions **of** revenue—

Basic figure	0·25
Expansion	*Nil.*
Total	0·25

(3) GANJAM.

A.—***Basic figure.***

Year.	Net revenue.	Recoveries on account of Survey and Settlement charges.	Balance of revenue.
1927·28	10·94	..	10·94
1928·29	12·26	1·55	10·71
1929·30	12·12	0·72	11·40
Total	35·32	2·27	33·05
Average	11·77	0·76	11·02

15. We have omitted the sums recovered on account of survey and settlement charges, because they represent charges realised by Government from the* zamindars or tenants of zamindari estates. The average land revenue proper in the three years concerned is thus 11·02 which may be adopted.

B.—*Expansion.*

16, There will be no revision of settlement in temporarily settled areas till 1938·39. Expansion is, therefore, *nil* for about ten years after separation and it is too early now to predict the probable increase of revenue after the next settlement.

Summary.

17.

(1) ORISSA.

Basic revenue	40·43
Expansion	*Nil.*

(2) VIZAGAPATAM.

Basic revenue	0·25
Expansion	*Nil.*

(3) GrANJAM.

Basic revenue	11·02
Expansion	*Nil.*
Total basic revenue ..	51·70
Total expansion ..	*Nil.*

VI—EXCISE.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Country spirits	86·64	3·73	79·76	4·05	80·38	3·78
Country fermented liquor ..	26·85	0·83	28·27	0·91	28·99	0·89
Wines and spirits (other than beer, medicated wine and commercial spirits) ..	0·77	0·08	0·93	0·07	0·85	0·09
Beceipts from commercial spirits	0·08	(276)	0· 03	0·01	0· 03	(333)
Opium	35·10	22·82	35·66	23·49	35·74	23·61
Hemp and other drugs ..	46·29	5·08	44·64	5·84	45·05	5·89
Fines, confiscations and miscellaneous	1·42	0·09	0·60	0·09	0·71	0·07
Kecoveries of overpayments ..	..	..	0·01	(181)	0*03	(95)
Collection of payments for services rendered	..	..	..	..	..	..
Dtdud—Refunds	0·74	0·11	0·64	0·08	0·97	0·08
Net revenue ..	196·41	32·52	189·26	34·38	190·81	34·25

A.—*Basic figure.*

18. The average receipts in Orissa proper during the three years are thus 33*72 including receipts from the sale of opium. Since 1929·30, however, the excise revenue in the province has dropped considerably as the following figures will show:—

1930·31 (Actuals)	**142*09**
1931·32 (Revised)	12000
1932·33 (Budget)	12000

The decrease since 1929·30 is due chiefly to the fall in the price of agricultural products and the consequent fall in wages and also in part to political propaganda which has resulted in a great increase in illicit distillation.

19. The future course of excise revenue is difficult to estimate. Assuming that prices remain low but that there is some improvement in the coal trade and in general prosperity, that illicit distillation is curtailed and that political attacks are not made on the revenue, the Government of Bihar and Orissa have estimated that in the quinquennium from 1933·34 to 1937·38 the excise revenue for the entire province will not exceed 135*00 in any year. On this basis, the excise revenue in Orissa, for a few years after its separation, may be taken to be 28· 79.

B.—*Expansion.*

20. It is probable that as the world·wide trade depression passes away, prices will rise somewhat, but we do not consider that it would be safe to assume that the excise revenue in Orissa will, for many years to come, exceed 30" 50. We accordingly propose to allow 1 • 71 under expansion.

Basic revenue	28 • 79
Expansion	1·71
Total ..	30·50

(2) VTZAGAPATAM.

Receipts.	1927·28.	1928·29.	1929·30.	1930·31.
Revenue derived from arrack	2*78	2·41	2·59	**2·26**
Country spirits	..	..	..	0·32
Ganja	0·11	0·13	0·17	0·17
Miscellaneous	(170)	(140)	(84)	(315)
Contributions	..	..	..	**0·01**
Rents of opium shops and miscellaneous ..	0·39	0·34	**0·43**	**0·24**
Total ..	3·28	2·88	3·19	3·00

A.—*Basic figure.*

21. **The average of the four years is 3* 09. It does not, however, include** the **sale·proceeds of excise opium. The average sales** of **opium in** the **four years have been 3,612** seers. **The cost price of opium since** 1927·28 is **steadily falling and now it is Rs. 18·7·0 per seer and the sale price is Rs. 80. The** difference is the net gain to Government. In the accounts, it is customary to show separately the cost price of opium and the duty (or net profit) **on excise** opium. As the cost price will thus swell both the receipts and the expenditure (though not in equal amounts), the cost price may be omitted from both **the** sides and only the duty on excise opium may be considered as the actual net revenue to Government, *i.e.,* Rs. 61·9·0 per seer. 2·22, being the net revenue on excise **opium** should, therefore, be added to the average of other receipts. The basic revenue may, therefore, be put at 5* 31.

B.—Expansion.

22. There is not much scope for additional revenue. The introduction of the central distillery system in other areas may bring in more revenue ; **but** it will be largely counterbalanced by decrease in shop rents and increase in expenditure on account of excise staff necessary for regulating the supply **and** distribution of country liquor and for the prevention of illicit distillation. It is possible to raise the sale price of excise opium to Rs. 90 per seer as in the Orissa division, but it is highly doubtful whether this would result in any increase of revenue. In any case, we think, that in view of the history **of** " Excise " in recent years throughout most of India, it would be unsafe to anticipate any enhancement of the figure for basic revenue which we have taken at 5.31.

(3) GANJAM.

Year.	Net receipts,	Cost price of opium,	Balance of revenue.
1928·29	9·90	0·78	9·12
1929·30	10·44	0·88	9·56
1930·31	9·30	0·72	8·58
Total	29·64	2·38	27·26
Average	9·88	0·79	9·09

A.—Basic figure.

23. The net receipts contain the sale price of opium. For reasons given in the notes on Vizagapatam, the cost price of opium is omitted. The **average of the** balance of revenue is 9*09 which may be accepted. Expansion is ***nil.***

Summary.

154.

(1) OBISSA.

Basic revenue	28·79
Expansion	1·71

(2) VIZAGAPATAM.

Basic revenue	5·31
Expansion	*Nil.*

(3) GAN JAM.

Basic revenue	9·09
Expansion	*Nil.*
Total basic revenue	43·19
Total expansion	1·71

VII. STAMPS.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. **Orissa.**
A. Non·Judicial stamps—						
Sale of stamps	24·74	·2·53	24·63	2*27	24·10	2·**43**
Duty on Impressing documents	0·18	0·01	0·38	0·01	0·92	**0*01**
Fines and penalties ..	0·22	0·02	0·16	0·02	0·16	**0·04**
Miscellaneous	(87)	*(66)*	0·01	(145)	0·01	**(136)**
Less—Refunds	0·84	0·03	0·58	0·03	0·48	0·01
Net total Non·Judicial stamps revenue.	24·30	2·53	24*60	2·27	24·71	2·47
B. Judicial—						
Sale of stamps	84·20	10·34	84·54	11·40	87·01	10·86
Sale of plain paper ..	**1·55**	0·18	1·46	0·15	..	..
Fines and penalties ..	0·06	(471)	0·06	0·01	0·05	(458)
Miscellaneous	0·03	0·03	0·04	0·04	0·05	0*02
Less—Judicial refunds ..	0·39	0·04	0·32	0·02	0·48	0*03
Net Judicial stamps revenue	85·45	10·51	85·78	11·58	86·63	10*85
Total Stamp revenue ..	109·75	13·04	110·38	13·85	111·34	13*32

A.—*Basic figure.*

25. Included in the revenue from the sale of Non·Judicial stamps for **the** whole province is a sum of 1*15 which the Bihar and Orissa Government annually receives from the Central as its share of the sale·proceeds of unified stamps (postage) used for revenue purposes. The Bihar and Orissa Government, in 1930·31 and 1931·32, budgetted for 1 • 35 on this account in view of **the** contemplated revision of the contribution from the Government of India. **The** amount received from the Government of India in 1930·31 was only 1*15. Orissa's share of the sale of ordinary Non·Judicial Stamps has been 10*3 **per**

cent, of the total sales in the province. The total contribution on account of unified stamps on the basis of the latest actuals being 1 • 15, 0' 12 may be taken as Orissa's share of this contribution.

26. In 1930-31, an Act known as the 'Motor Vehicles Taxation Act' was passed. The receipts under this Act are collected by means of Non-Judicial Stamps. The accounts do not show separately the resulting increase of revenue in Orissa ; but Government adopted a revised estimate for the whole province of 1 • 28 for 1930-31 and the budget for 1931-32 was 5 • 14. The actual revenue for three months of 1931 in the Orissa division was Rs. 45,549 and for the calendar year 1931 Rs. 66,011 and allowing for some increase from this source owing to the increasing popularity of motor vehicles, it is estimated that Orissa's revenue for a full year will be 0- 75 which must, therefore, be added to the basic estimate of the revenue of Orissa division.

27. The average stamp revenue of Orissa, on the basis of three years* actuals, is 13-40. The actual revenue for the whole province in 1930-31 was,, however, 107-80, bbth the revised for 1931-32 and the budget for 1932-33 being estimated at the still lower figure of 105-00. Since 1929-30, receipts from ' Judicial Stamps ' have dropped by 8 per cent, and those from ' Non-Judicial Stamps' by nearly 16 percent. The drop in the receipts from ' Judicial Stamps' is due to the fact that the economic condition of the population has led to a decrease in litigation and the fall under ' Non-Judicial' is due to a fall in the value of agricultural land. Both these factors are very likely to persist for some years after the separation of Orissa and after making due allowance for them, we cannot put the probable annual average receipts in Orissa under this head in the immediate future at a figure higher than 12 • 74.

28. The average figure, however, includes an average of 0-11 on account of "Sale of Plain Paper", receipts from which have since 1929-30 been credited to the head " XXXIV.—-Stationery and Printing " as a result of a change of classification. Deducting this amount from the average calculated above, the net average comes to 12-63. The basic revenue of Orissa may, therefore, be put at 13 • 51 as follows :—

Average revenue	.. 12*63
Orissa's share of contribution on account of unified postage stamps.	0-12
Estimated receipts from Motor Vehicles Taxation Act ..	.. 0 • 75
Total	.. 13-50

B,—*Expansion.*

29. We expect, however, that for reasons noted above, there will eventually be some rise in the price level and that the consequent improvement in the economic condition of the population and increase in the value of agricultural land will raise the revenue of the new province under this head. We put the figure of ultimate expansion roughly at 0-67.

Basic revenue	..13*50
Expansion	..0-67
Total	.. 14-17

ITS?2

(2) VIZAGAPATAM,

Year.				Non-Judicial.	Judicial.	Total.
1927-28	..	..	..	0·16	0-24	0-40
1928-29	..	..	..	0·18	0-28	0-46
1929-30 ..	..	..	..	0-23	0*27	0*60
1930-31	..	..	..	0-20	0·26	0*46
		Total	..	0-77	1*05	1·82

A.—*Basic figure**

30. The average is 0-46, The Madras Government expects in 1932-33 a **fall** in stamp revenue of 10-00 or about 5 per cent, over the actuals of 1930-31. We may accordingly reduce the average receipts of the Jeypore Agency to 0* 43 to which also must be added 0-05 being the share of unified stamps which the Madras Government annually gets from the Central Government and 0*03 on account of the sale of judicial stamps in the court of the Agency Sub-judge at Vizagapatam. The basic revenue may, therefore, be put at 0- 51. Expansion is *nil.*

(3) GANJAM.

Year.				Non-Judicial Stamps.	Judicial Stamps.	Tot*al.
1927-28	..	..	..	1-26	2-14	3-40
1928-29	..	..	..	1*36	1-92	3-28
1929-30	..	..	..	2-00	1-44	3-44
		Total	..	4-62	5-60	10-12
		Average	..	1-54	1-83	3-37

A.-* *Basic figure.*

31. Since 1929-30, the revenue from stamps has tended to fall, and we do not think that a figure higher than 3* 15, to which must be added 0-18 as **the** share of unified stamps, can safely be taken. The basic revenue is, therefore, 3*33. Expansionism'/.

Sum wary.

32.

(I) ORISSA.

Basic revenue	..	..	..	..	..	.. 13-50
Expansion	..	..	..	..	..	.. 0-67

(2) VIZAGAPATAM.

Basic revenue	..	..	..	..	..	.. 0-51
Expansion	..	..	..	..	..	.. *Nil.*

(3) GANJAM.

Basic revenue	..	..	..	..	..	.. **3-33**
Expansion	..	..	..	..	..	.. ***Nil.***
			Total basic revenue		..	.. **17-34**
			Total expansion		..	.. **0-67**

VIIL·FORBST&

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa,
Timber and other produce removed from the forests by Government Agency.	0·25	0·05	0·40	0·06	0·22	00T
Timber and other produce removed from the forests by consumers or purchasers.	936	3·50	10·38	3·82	9·25	3·90
Drift and waif wood and confiscated forest produce.	0·01	0·01	0·01	(421)	0·01	(308)
Miscellaneous	0·30	0·13	0*32	014	0·34	0·15
Less.—**Refunds**	0*52	0·03	0·14	0·01	0·43	0·11
Total Forest revenue ..	9·39	3·66	10·97	4·01	9·39	4·07

A.—*Basic figure.*

33. The average of Orissa revenue is 3·91. Since 1929·30, however, Forest revenue in the province has dropped considerably as the following figures will show:—

1930·31 (Actuals)	8·13
1931·32 (Revised)	6·13
1932·33 (Budget)	7·28

The post·war boom was responsible for a very noticeable increase in the Forest revenue which up to 1925·26 was roughly double the pre·war revenue. Since that year, a drop has occurred, greatly accelerated in the last two years by the collapse of the timber market. Assuming that the price of timber will fall to pre·war levels, but that there will be some improvement in demand in course of time, the Government of Bihar and Orissa have estimated that the average Forest revenue of the province during the years 1935·36 to 1937·38 will be about 6'25. On this basis, the probable receipts from this source of revenue in Orissa proper may be roughly taken at 2 • 65. We propose to take this figure as the basic revenue of Orissa from Forests after its separation.

B. —*Expansion.*

34. We think, however, that as the world recovers from the present trade depression there will be some improvement in the price of timber, but we do not consider that it will be safe to assume that the forest revenue in Orissa will, for many years to come, exceed 3 • 25. We, therefore, propose to allow 0·60 under " Expansion ".

Basic revenue	2* 65
Expansion	0 · 6 0
	3*25

35.

(2) VIZAGAPATAk.

Receipts .. .. .. " .. ,.	*Nil.*
Expansion	*Nil.*

(3) GANJAM.

36. The revenue district of Ganjam is divided into two forest divisions, *viz.*, the Ganjam Forest Division including the Balliguda Agency Forests under a Divisional Forest Officer and the Parlakimedi Malliahs Forest Division under a Special Forest Officer. The forests in the Chicacole, Sompeta and Tekkali areas are not of much importance. Forest revenue in recent years has been :

Year.				Ganjam Forest Division.	Parlakimedi Malliahs Forest Division.	Total.
1927·28	..	..	..	1·57	0*40	1·97
1928·29	..	..	..	1*86	0·54	2·40
1929·30	..	..	..	1·35	0·53	1·88
Average	..	..	..	..	..	2'08

A.—*Basic figure.*

37. The revenue from the Ganjam Forest Division in all these years has been abnormally heavy on account of the timber supplied departmentally to the Russelkonda Saw Mill which has been closed as it was not a paying concern. The figures of past actuals are not, therefore, a guide for future estimates. It would be difficult, however, to exclude all figures concerned with the Russelkonda Saw Mill; because the accounts show a fixed rate of annas 4 to 5 per cubic foot of logs delivered to the Mill and the expenditure for felling and de* livery of the logs was booked along with the other expenditure of the district. Moreover, the timber in logs shown as supplied to the Mill did not take into account large quantities of timber rejected by the Mill as unsuitable and in oriier to meet the requirements of the Mill, the normal activities of the department in the Ganjam Forest Division were curtailed. For our estimate of the future revenue, therefore, we must rely so far as the Ganjam Forest Division is concerned largely on the working plan estimates for the Gumsur area which used to supply timber to the Saw Mill. For other areas, past actuals will suffice.

Estimated revenue **from** Gumsur .. .. .. •..	**0*94**
Average of past actuals from Berhampur Range	0·06
Average revenue from Balliguda Range	0·02
Average revenue from unresumed lands	0*21
Average revenue from Parlakimedi Malliahs Division	**0*47**
Total ..	**1·70**

The total is 1·70 which may be accepted as basic revenue.

B.—*Expansion.*

38. As the basic revenue is calculated mainly on the estimates of the working plans, expansion which is a forecast of increase in the future is *nil.* It is thought that in course of time, the Balliguda forests may yield a fair

revenue from the supply of sleeper^ to the Bengal Nagpur Railway which has recently opened a line to Raipur*. But we have not sufficient data for a forecast of the amount likely to be realised.

Summary.

39.

(1) ORISSA,

Basic revenue ..	2·65
Expansion ..	0·60

(2) VIZAGAPATAM.

Basio revenue ..	NU.
Expansion ..	Nil.

(3) GANJAM.

Basio revenue ..	1·70
Expansion ..	NU.
Total basic revenue ..	4·35
Total expansion ..	0·60

IX, ·-REGISTRATION.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Fees for registering documents ..	15·27	1·55	15·56	1·49	15·52	1·60
Fees for copies of registered documents ..	0·53	0·05	0·55	0·05	0·61	0·05
Miscellaneous ..	0·96	0·09	0·96	0·08	0·96	0·07
Less—Refunds ..	0·02	(227)	0·03	(204)	0·02	(HI)
Net Revenue ..	16·74	1·69	17·04	1·62	17·07	1·72

A.—*Basic figure.*

40. The average of receipts in Orissa during the three years is thus 1·68. Since 1929·30, however, the receipts under ' Registration ' have fallen considerably as the following figures will show :—

1930·31 (Actuals) ..	14*53
1931·32 (Revised) ..	13·00
1932·33 (Budget) ..	13·00

The fall since 1929·30 is due partly to a drop in presentations and partly to a considerable drop in the value of agricultural land. Assuming that prices and consequently the value of agricultural land remain low but that as conditions adjust themselves to the present range of prices there is a small and

gradual increase in trade and in the genetal prosperity of the people, the Government of Bihar and Orissa hive estimated an average revenue of 13-00 under this head during the next quinquennium; On this basis, tie receipts in Orissa under this head, for a few years after its separation, may be taken to be 1-29.

B.—*Expansion.*

41. We think, however, that with more settled conditions and some rise in the general level of prices, as the world recovers from the present trade depression, the revenue from Orissa under this head might in future reach the figure of the average receipts for the three years for which actuals have been given above.

Basic revenue	..	**1•29**
Expansion	..	**0-39**
	Total ..	**1-68**

(2) VIZAGAPATAM.

42. The Registration Act does not apply to the Agency areas. When **a** document affecting properties both in the plains and the Agency is registered, a note is appended to it by the department that the act of registration does not confer any additional rights in the Agency property.

B.—*Expansion.*

43. There are, however, proposals for the formation of new Agency subdistricts at Gunupur, Koraput, Jeypore and Nowrangpur with the respective Tahsildars as ex-officio sub-registrars. Considering, however, the restrictions that apply to the transfer of properties in Agency tracts, there are no expectations of large revenue accruing to Government. It may, therefore, be assumed that the revenue will cover the expenditure and leave a small surplus to Government. 0*05 is therefore taken under expansion.

Basic revenue	..	***Nil.***
Expansion	..	**0·05**

(3) GANJAM.

A.—*Basic figure,*

44. The Registration Act does not apply to Agency tracts. There is **a** District Registrar at Berhampore and 16 sub-registry offices **in** the **whole** district of which five **will** remain **in** Madras after separation. Revenue in recent years has been as follows:—

1927-28	..	**0*62**
1928-29	..	**0-44**
1929-30	..	**0-61**
	Total ..	**1-67**

or an average of 0*56 which is taken as basic figure. Expansion is *nil.*

Summary.

46.

(1) ORISSA

Bono revenue	.. ..	1·29
Expansion	.. ..	0·89
(2) VIZAGAPATAM.		
Basic revenue	.. ..	*Nil.*
Expansion	.. ..	0·05
(3) GANJAM.		
Basic revenue	.. ..	0·56
Expansion	.. ..	*Nil.*
Total basic revenue	..	1·85
Total expansion	..	0·44

XITI.·IERIGATION RECEIPTS.

(1) ORISSA.

Items*	1927·28.		1928·29.		1929-30.	
	Whole Pro· vince.	Orissa.	Whole Pro· vince.	Orissa.	Whole Pro- vince.	Orissa.
Direct receipts (productive)	..	..	..	..	..	..
Direct receipts (unproductive)	40·99	7·65	41·09	9·29	38·77	8·74
Deduct—Refunds ..	007	0·02	0·12	0·06	0·17	0·07
Net direct revenue ,.	40·92	7·53	40·97	9·23	38·60	8·67

A.—*Basic figure.*

46. The Orissa Canals combining Irrigation and Navigation were designed and partly constructed by the East India Irrigation and Canal Company who entered into a contract with the Secretary of State in 1862, and surrendered it in 1868, while the works were still incomplete, on payment by the Government of India of the sum of £1,192,000. The works were completed from funds supplied by the Government of India at a total capital cost of 271·87, the interest charges on which now amount to Rs. 8·50 a year. The revenue from Irrigation and Navigation has never been sufficient to contribute anything towards the payment of interest charges and generally barely suffices to cover the working expenses.

The liability for the payment of the interest charges has fallen upon the local Government since 1921·22, the year of Devolution, and when submitting a memorandum to the Statutory Commission in the year 1929, the Bihar and Orissa Government represented that this charge constituted a hardship from which it asked to be relieved. When submitting a copy of the report of the Orissa Flood Committee of 1928 they renewed this request and drew attention to the inability of the local Government to give effect to the more expensive recommendations of the Committee.

47. There is no possibility of the Orissa Canals ever paying anything towards the interest charges on their capital cost. The canals are now hardly used at all for navigation, and the receipts from irrigation have fallen far short of the original estimates. Jt has also been necessary to abandon some portions of the Canal system in order to reduce the floods to which Orissa is liable. A forecast of probable revenue from Irrigation and Navigation Canals in Orissa cannot therefore- be suitably made from an examination of the returns of past years especially as it has very recently—in October 1931—been decided by Government to reduce the water rates as well as to abandon some of the canals concerned with both irrigation and navigation. A forecast of the estimated revenues from the canals on the basis of the reduction of water rates recently sanctioned by the Bihar and Orissa Government shows that the total revenue that may be immediately realised from water rates will be 6·42.

It is expected that the reduction in water rates will again bring under lease a considerable area in future years and this will add about 1-00 to the estimated revenue of 6*42 above, so that the irrigation receipts from water rates may be put at 7*42. In addition there are also other receipts arising from canals which have not been affected by the change in the water rates. These additional receipts in recent years were as follows :—

	1927-28.	1928-29.	192930.	1930-31.
	Rs.	Rs.	Rs.	Rs.
Navigation	85,031	90,168	86,291	85,355
Sale of water	295	461	675	375
Plantations	12,728	15,185	13,428	6,609
Water power	..	..	..	..
Other Canal produce	7,415	12,353	10,446	16,234
Bent of buildings	6,695	7,004	6,552	4,367
Recoveries of expenditure	..	..	..	1,267
Fines	..	831	,,	••
Miscellaneous	41,042	47,834	51,403	35,883
Receipts from Workshops	..	1,408	2,148	1,774
TotsJ ..	1,53,206	1,75,244	1,70,943	1,51,854

The average is Rs. 1,62,813 or 1-63 which when added to 7-42 representing water rate receipts gives a total revenue of 9-05 as basic receipts. This figure, however, includes 1-00 as increased receipts anticipated in consequence of a larger area being brought under cultivation. In view of the trade depression and the low prices now prevailing, an increased revenue of 1«00 cannot be expected immediately after separation ; as, however, there is some hope that prices will ultimately rise, a total of 9-05 may be accepted. Expansion is *nil.*

4a

(2) VIZAGAPATAM.

Receipts	*Nil.*
Expansion	*Nil.*

(3) GANJAM.

49. Irrigation receipts excluding land revenue due to **irrigation (which has** been shown as land revenue).

Items.	1927-28.	1928-29.	1929-30.	1930-31.	Average.
A.—Irrigation works—Rushikulya system	003	0-02,	0-Q4	0-03	003
B.—Navigation, Embankment and drainage works—Ganjam Gopalpore Canal	(163)	(201)	0-06	0-07	0-06
Total ..	0-03	0-02	0-10	0-10	0-09

A.—*Basic figure.*

50. In the case of Ganjam Gopalpur Canal, 0*06 is the average of only the last two years. Average is 0-09 which we«take as basic revenue. Expansion i s ***nil.***

Summary.

51.

(1) ORISSA.

Basic revenue	9-05
Expansion	*NU.*

(2) VIZAGAPATAM.

Basic revenue	*Nih*
Expansion	*Nil.*

(3) GANJAM.

Basic revenue	0-09
Expansion	*Nil.*
Total basic revenue ..	914
Total expansion ..	*Nil.*

XIV,-~MISCELLANEOUS IREIGATI)N RECEIPTS.

(1) ORISSA.

Items.	1927-28.		1928-29.		1929-30.	
	Whole Province.	Orissa.	Whole Province.	Orissa.	Whole Province.	Orissa.
Irrigation Works ..	0-09	..	O'H..	..	0»09	..
Navigation	0-09	0-09	0*12	0*12	0-13	0.13
Embankments ..	0«96	0-01	0-91	0-03	0-92	0-02
***Deduct*—Refunds** ..	..	..	..	..	0*01	0-01
Total ..	1-14	0-10	1-14	0-15	1-13	014

A.—Basic figure.

52. The average of Orissa receipts is 0-13 which may be adopted as basic figure.

B.—Expansion.

Expansion is *nil*. On the other hand, there may*be some fall in embankment receipts owing to the demand for removing or lowering some of the embankments; but the receipts on this account are so very small that the basic figure need not be disturbed.

Basic figure	0*13
Expansion .. .. •*	..
Total ..	0·13

53.

(2) VIZAGAPATAM.

Receipts .. .. .. ». ..	*Nil.*
Expansion	*Na.*

(3) GANJAM.

A.—Basic figure.

54. Receipts are insignificant. They were Rs. 103 in 1927-28, Rs. 120 in 1928-29 and in 1929-30. Basic revenue may, therefore, be taken as *nil* Expansion is also *nil*.

Summary.

55.

(1) ORISSA.

Basic revenue ..	0-13
Expansion	*Nil.*

(2) VIZAGAPATAM.

Basic revenue	*Nil.*
Expansion	*Na.*

(3) GANJAM,

Basic revenue	*Nil.*
Expansion	*Nil.*
Total basio revenue ..	0·13
Total expansion ..	*Nil.*

XVIL-ADMINISTRATION OF JUSTICE.

(1) ORISSA.

Items*	1927-28. Whole Provino©.	1927-28. Orissa.	1928-29. Whole Provinoe.	1928-29. Orissa.	1929-30. Whole Provino*.	1929-30. Orissa.
Sale-proceeds of unclaimed or escheated property • • • •	0-12	0-04	0-22	0-02	0*09	0·02
Court fees realised in cash	0'58	0-04	oeo	0-04	0*66	0·10
General fees, fines and forfutures . • • •	4*36	0-60	4*11	0-58	3*91	0-57
Pleadership examination fees •• ••	0-19	0*02	0*18	0·01	0·13	0·01
Miscellaneous lees and fines •• ••	0*33	0*04	0·36	0-09	0-51	0-10
Miscellaneous .. ••	0*58	0-08	0*59	0·04	0*65	(452)
Recoveries of overpayments •• ••	0-06	(150)	0·10	(40)	0·13	(1)
Collection of payments for services rendered ••	••	••	#.	••	••	••
Deduct—Refunds ••	0-84	0-07	0-80	0·10	0·57	0·08
Total Revenue ••	5-38	0-75	5-36	0-68	5-41	0-72

A.—Basiefigure.

56. The average of Orissa receipts is 0-72. The actuals for 1930-31, for the whole province 5-12 and the Budget for 1931-32, 5*29 indicate a slight decrease in receipts due to trade depression ; but the decrease is so small that there are no solid grounds for departing from the average of 0-72 as the basic receipts of Orissa. There is however only one Civil and Sessions Judge at Cuttack with jurisdiction over Cuttack, Puri and Balasore. Sambalpur is under the Judge at Purulia who has jurisdiction over Sambalpur, Manbhum and Singbhum. The fees and other receipts realised in respect of Sambalpur are thus credited in Purulia (outside Orissa). It is estimated that after separation the Sambalpur receipts which will accrue to Orissa will be 0-13 bringing the total receipts to 0 • 85. But this figure includes 0 • 01 on account of Pleadership Examination Fees which properly pertain to Bihar as the examination is held by the Patrxa High Court and all the corresponding charges are debited to Bihar. The basic figure may therefore be taken at 0 • 84.

Average receipts in Orissa ....• ••	**0*72**
Sambalpur receipts credited at Purulia . .• .,	0*13
.Lew—Pleadership Examination Fees •. •• ..	—0*01
	0*84
Expansion •• •• •• •• •• ••	*Nil.*

(2) VIZAGAPATAM.

1927-28	0-11
1928-29	0*28
1929-30	0-13
1930-31	0-10
Total ..	0-62

A.—*Basicfigwe.*

57. The average is 0-15. But in 1928-29 the receipts were abnormally high. Excluding this year, the average of other years is 0*11 which may be accepted. Expansion is *nil.*

(3) GANJAM.

1927-28	0-21
1928-29	0-24
1929-30 .. .. ., ...	0*29
Total ..	0-74

A.—*Basicfigure.*

58. The average of 0- 25 may be taken as basic receipts. Expansion is *nil.*

Summary.

59.

(1) ORISSA.

Basic revenue	**0-84**
Expansion	***Nil.***

(2) VIZAGAPATAM.

Basic revenue	**0-11**
Expansion	***NU.***

(3) GANJAM.

Basic revenue	**0.25**
Expansion	***Nil.***
Total basic revenue ..	**1-20**
Total Expansion ..	***NU.***

XVIII.—JAILS AND CONVICT SETTLEMENTS.

(1) ORISSA.

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa*	1929-30. Whole Province.	1929-30. Orissa.
Jail receipts	**0-13**	**0-07**	**0-16**	**0 05**	**0-12**	**0 01**
Jail manufactures .:	**5 07**	**0-30**	**6-30**	**0-27**	**7-13**	**0-26**
Recoveries of overpayments	**0 01**	**(189)**	**0 01**	**(212)**	**0 09**	**(87)**
***Less*—Refunds** ..	**(356)**	**W**	**(147)**	W	**(423)**	**••**
Total receipts ..	**5-21**	**0*37**	**6-47**	**0-32**	**7-34**	**0-27**

A.,—Basic figure.

60. A steady fall in receipts from 0.37 in 1927-28 to 0-27 in 1929-30 indicates that the receipts cannot be taken at a higher figure than the actuals in 1929-30 and considering also the recent fall in the general level of prices the basic figure of receipts may be taken as 0 • 25. There is no scope for expansion.

Basic revenue receipts .. .. •. • •	**0*25**
Expansion ., ., ., .. •• .•	
	0-26

(2) VIZAGAPATAM.

61. There are 9 sub jails under the Agent to the Governor and one special subjail at Koraput under the Inspector-General of Prisons. Receipts from the 9 subjails are practically *nil.* They were Rs. 154 in 1927-28, Rs. 30 in 1928-29 and Rs. 2 in 1929-30. The receipts of the Koraput subjail for the same years were:—

1927-28	**.0·0 1**
1928-29	**.0-04**
1929-30	**.0*02**

A.—*Basic figure.*

62. These receipts pertain to the period when it was a district Jail with" a larger number of prisoners. The receipts of 1927-28 are less than in later years as it was converted into a district jail only in that year. The average of the next two years is 0*03 which may be taken. Expansion is *nil.*

(3) GANJAM.

63. There is a district jail at Berhampore and a special subjail at RuBselkonda, both under the Inspector-General of Prisons and a subjail in each Taluk under the District Magistrate. The capacity of the Berhampore jail is 280 and on an average the jail population is 240.

Items.	**1927-28.**	**1928-29.**	**1929-30.**
Jail Receipts	**0-01**	**0-01**	**0-01**
Jail Manufactures	**0-05**	**0-05**	**0-06**
Total ..	**0-06**	**0-06**	**0-06**

A.—Basic figure.

64. The average of 0*06 is taken as basic receipts. Expansion is *nil.*

Summary.

65.

(1) ORISSA.

Basic revenue .. *.	**0·26**
Expansion	***Nil.***

(2) VIZAGAPATAM.

Basic revenue	**0-03**
Expansion	***Na.***

(3) GANJAM.

Basic revenue	**0-06**
Expansion	***Na.***
Total basic revenue ..	**0·34**
Total Expansion ..	***Nil.***

XIX.—POLICE.

(1) ORISSA.

Items.	1027-28. Whole Pro-vinos,	1027-28. Orissa.	1928-29. Whole Pro-vince.	1928-29. Orissa.	1929-30. Whole Pro-vinos.	1929-30. Orissa.
Police supplied to private companies	0*46	..	0*19	..	0*18	..
Oath receipts under the Anna Act	OOI	(79)	0*02	(43)	0-01	(68)
Fees, fines and forfeitures	0-47	006	0-61	0-07	0-50	0*07
Contribution for Railway Police	0*43	..	0*41	..	0*40	..
Recoveries of overpay-ments	010	0*01	013	(124)	0-38	(33)
Miscellaneous	0*56	003	0*63	0-07	0*87	013
General Police Award ..	001	..	(20)	..	..	..
Less—Refunds ..	006	(20)	002	(2)	004	(119)
	1-98	0*10	1-87	0*14	230	0-20

A.—*Basic figure.*

66. The average of Orissa receipts is 0*15. But this does not include Orissa's share in the Railway Police contribution to which it has a claim from the B. N. Railway. The Police arrangements on this Railway traversing the Bengal and Bihar and Orissa Provinces are at present under the administrative control of the Bihar and Orissa Government. The length of the line in the three provinces is as follows:—

	Miles.
Bengal	238
Bihar	638
Orissa	633
	1,409

The amount due from the Railway Company is a certain proportion of the actual expenditure on account of the Railway Police. The 1931-32 budget indicates that the proportion of the expenditure which Orissa and Bihar will have to bear is 40:56 and the contribution due from the Railway is 0*26. Orissa'8 share is therefore 0-11. The basic figure of receipts may therefore be put at 0*26 as follows:—

Average	0*16
Railway contribution	0-11
Basic figure	0*26
Expansion	*Nil.*

(J) VauomxAM*

1927-28	0·06
1928-29	0·05
192940	0·06
	0·17

A.—Basic figure.

67. The average is 0*06 which may be taken as basic revenue. Expansion is *nil.*

(3) GANJAM.

1927-28	0-10
1928-29	0-10
1929-30	0·il
	0-31

A.—Basic figure.

68. The average is 0·10 to which must be added contribution from B. N. Bailway for Police arrangements on railways. Assuming that Bihar will take over the Railway Police of the portions of the Ganjam and Vizagapatam districts which are to go to the new province, 0-03 is the estimated contribution. The basic receipts may therefore be put at 0*13. Expansion is *nil.*

Summary.

69.

(1) ORISSA.

Baaic revenue .. .. •.	0·26
Expansion	ML

(2) VIZAGAPATAM.

Basic revenue • • • • • • • ..	0*06
Expansion	*NO.*

(3) GANJAM.

Basic revenue • • • • • • • ..	0*18
Expansion .. • • • • • • • ..	*NO.*
Total basic figure ..	0-45
Total expansion ..	*Na.*

XX.--PORTS AND PILOTAGE.

(1) ORISSA.

Basic figure.

70. Both the expenditure and receipts in recent years under this bead are connected with the minor port Balasore and are insignificant. Government have budgetted for an expenditure of Rs. 60 in 1930-31 and Rs. 30 in 1981-32 far a pilot at Balasore. Similarly the receipts budgetted for in the 2 years axe Rs. 100 (Revised for 1930-31 and Budget 1981-32). The actuals axe :—

Teas.	Receipts. Ha.	Expenditure. Ka.
1927-28	.*7	180
1928-29.	.70	80
19*940.	Nil.	*Nil.*
199041	*Nil.*	100

All pertaining to Orissa Division. The expenditure may be regarded as covered by corr&ponding receipts. Expansion is *nil*

71;

(2) VIZAGAPATAM.

Receipt	.. ..	*NIL.*
Expansion	.. ..	*Nil.*

(3) GANJAM.

72. Receipts are *nil* Expansion is also *nil*

73.

Summary.

Total basic revenue	..	*NU.*
Total expansion	..	*Nil.*

XXI.—EDUCATION.

(1) ORISSA.

Items.	1927·28. Whole Pro-vince.	1927·28. Orissa.	1928·29. Whole Pro-vince.	1928·29. Orissa.	1929·30. Whole Pro-vince.	1929·30. Orissa.
A. University	2·29	0·60	2·46	0·53	2·52	0·56
B. Secondary	2·86	0·52	3·02	0·58	3·18	0·54
C. Primary	0·04	0·02	0·02	0·02	0·02	0·02
D. Special	0·07	(465)	0·26	(163)	0·20	(26)
E. General	1·09	0·08	1·33	0·44	1·41	0·25
Lew—Refunds	0·02	0·01	0·05	0·01	0·04	0·01
Total ..	6·33	1·21	7·04	1·66	7·29	1·36

A.—*Basic figure.*

74. A large part of the receipts tinder " Special" is on account of the Eeformfttory School at Hazaribagh with which Orissa is not concerned.

The ' General' receipts include among other items contributions from Indian States, income from Endowments and Examination Fees. The actuals in recent years for the whole province were :—

	1927·28.	1928·29.	1929·30.
Contribution from Indian States ..	0·02	0·37	0·19
Income from Endowments.. ..	0·09	0·12	0·12,
Examination fees	0·22	0·27	0·38

Of which, the corresponding receipts of the Orissa Division were :—

	1927-28.	1928-29.	1929-30,
Contribution from Indian States ..	..	0·36	0-18
Income from Endowments.. ..	..	••	..
Examination fees	0-03	0·02	0·02

Contributions from Indian States are recoveries from the Orissa Feudatory States representing four-fifths of the expenditure of the Inspector of Schools in Orissa Division for inspection work in those States. The contribution due in 1927-28 was actually recovered in 1928-29. On the present basis, Government expect an average'recovery of 0-12 per annum, *i.e.*, 0·06 less than in the three years concerned.

75. The new Government may also expect an average revenue of 0·01 on account of income from Endowments on the basis of the latest information.

76. The average receipts of Orissa as set out in the statement above **are** 1/38 and the basic revenue from this source may be taken at 1 • 33, *via.*:—

Average receipts	1 · 38
Income from Endowments	0·01
***Less*—Contribution from Indian States**	—0-06
***Net* Basic Revenue of Orissa** ..	1 • 33

This is however on the supposition which we think may reasonably be made that the contribution from the Orissa Feudatory States will be continued even after the separation. Expansion is *nil.*

(2) VIZAGAPATAM.

	RS.
1927-28	151
1928-29	215
1929-30	674
Total ..	1,040

A.—*Basic figure.*

77. The average is Rs. 346. The basic revenue may therefore be put as 0·01. Expansion is *nil.*

(3) GANJAM.

1927-28	**0-02**
1928-29	**0-02**
1929-30	**0·03**

A.—*Basic figure.*

78. The average is 0-02 which may be accepted. Expansion is nil.

Summary.

79.

(1) ORISSA.

Basic Revenue .. .. ., ... ••	1·33
Expansion .. .. ,. ••	*NIL.*

(2) VIZAQAPATAM[.

Basio revenue .. .. ••	0·01
Expansion .. ..,	*Na.*

(3) GANJAM.

Baaio revenue .. .. ,. .. ,.	6·02
Expansion .. .. ••	*Na.*

Total basio revenue	..	1·36
Total expansion	..	*Na.*

XXII.·MEDICAL.

(1) OMSSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Income from Endowments ..	0·01	..	0·01	..	(83)	..
Medieal Sohool and College fees ..	0·56	0·09	0·67	008	0·69	0·09
Hospital receipts	0·08	(239)	0·15	(282)	016	(331)
Radium Institute	0·14	..	0·10	..	006	..
Mental Hospital receipts ..	0·16	..	0·18	..	0·20	..
Sale of medicines	0·11	004	013	0·04	0·14"	004
Contributions	0·90	0·05	0·62	0·07	0·02	0·01
Miscellaneous	0·07	0·05	0·14	0·01	0·31	0·02
Recoveries of overpayments ..	003	(47)	0·24	001	0·40	(261)
Collection of payments for services rendered •. .. ••	..	..	..	..	0·68	0·06
Lew—Refunds..	0·01	••	0·02	(50)	(60)	••
Total ..	2·06	0·23	2·12	0·21	2·46	0·21

A.—Jiasic figure.

80. The small receipts on account of contributions in 1929·30 are due to a change in the classification of recoveries on account of the services of Sub·Assistant Surgeons lent to local bodies, which, in other years, were credited to the sub·head 'Contributions' but in 1929·30 were shown against 'Collection of payments for services rendered'. The change of classification does not, however, affect the total receipts.

Though the tendenoy is *tot* the Orissa receipts to fall, we may take the average which is 0·81.

There is no soope for expansion of revenue.

Basic estimate of revenue ..	..	0·21
Expansion ..	..	..
Total	..	0·21

(2) VIZAQAFATAM.

81. The Medical institutions in the Jeypore Agency are of four different kinds, *(a)* Government institutions, (6) Local Fund Taluk headquarters institutions, *(c)* Other Local Fund institutions, and *(d)* Rural dispensaries. There is a Government Hospital at Koraput in charge of a Civil Assistant Surgeon and 10 Government dispensaries. Government bears the whole cost, except, that a sum of Rs.1,000 is annually recovered from the Agency Taluk Board. There are 5 hospitals and 3 dispensaries at Taluk headquarters stations maintained by the Agency Local Board. The pay and allowance of the medical officers in charge of these institutions is entirely borne by Government, the local bodies concerned bearing the other charges. The Agency Board also maintains other 4 Local Fund Medical dispensaries for which Government pay half the recurring charges. The pay of the Sub-Assistant Surgeons is in the first instance borne by Government and the local bodies pay to Government contributions at the rate of~Rs. 1364-0 per month for each medical officer. There are also two rural dispensaries for which Government pays a subsidy. All these institutions are supervised by the Agency Civil Surgeon at Vizianagr·m.—

1927-28.	. . . .	.007
1928-29.	. . . .	.007
1929-30	.. ..	006
Total	..	0-20

A.—Basic figure.

82. The average is 0·07 which may be accepted. Expansion is also *nil.*

(3) GANJAM.

83. Receipts are insignificant. Government recover at the rate of Rs. 136-4-0 per month per medical officer in charge of local board dispensaries and the recoveries are credited to this head of account. As these are just counterbalanced by corresponding expenditure on account of the pay of the medical officer the net receipts are practically *nil.* Expansion is also *nil.*

Summary.

84.

(1) OBISSA.

Baric'reremie ..	.. ..	0·21
Expansion ..	,, ...	*Nil.*

(2) VIZAGAPATAM.

Basic revenue	0·07
Expansion	*Nil*

(3) GANJAM.

Basic revenue	*NX*
Expansion	*Nil*
Total basic revenue ..	0·28
Total expansion ..	*Nil*

XXIII.·PUBLIC HEALTH.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Sale-proceeds of sera and vaccine	0·31	0·04	0·28	0·01	0·25	001
Collection of payments for services rendered	..	..	..	..	0·42	..
Recoveries of overpayments ..	(76)	(112)	0·27	..	001	..
Miscellaneous	0·06	(48)	0·60	(16)	0·06	(6)
Leas—Refunds..	(20)	..	0·05	..	0'01	..
Total ..	0·37	0·04	1·10	0·01	0·73	001

A.—*Basic figure.*

85. A sum of Rs. 34,341 realised as recoveries of fees for work done by the Public Health Engineering Department on behalf of local bodies was taken in reduction of expenditure in 1927·28. The corresponding receipts in 1928·29 and 1929·30 were credited to the head " Miscellaneous" and to " Collection of payments for services rendered ". Of these receipts, the share pertaining to Orissa was on account of the Puri Water Works. As that scheme has been completed, Orissa cannot expect large receipts on this account. A **sum** of 0·05 may, therefore, be taken as its future share.

So far as Orissa is concerned, the other receipts of this Department are practically negligible. Those on account of sera and vaccine represent simply the amounts credited by the local municipalities and local boards at the local treasuries on account of vaccines purchased from institutions in Bihar. There are no vaccine depots in Orissa. The basic figure of revenue may, therefore, be put at 0·05. Expansion is *nil.*

(2) VIZAGAPATAM.

A.—Basic figure.

86. Public Health activities are in the hands of both the Agency **Local** Board and Government. The whole area is divided into 7 ranges of which three are under Government management and the remaining 4 managed by the Board. Receipts are insignificant. Expansion is *nil.*

(3) GANJAM.

A.—*Basic figure.*

67. There are no appreciable receipts except occasional recoveries **from** vaccinators on account of the cost of vaccine. The receipts that appear in the accounts are largely the sale-proceeds of sera and vaccine lymph **purchased** by local bodies from the King Institute, Guindy.

Summary.

88.

(1) ORISSA.

Basic revenue	**0·05**
Expansion	***Nil.***

(2) VIZAGAPATAM.

Basic revenue	***Nil***
Expansion	***Nil***

(3) GANJAM.

Basic revenue	***Nil.***
Expansion	***Nil***
Total basic revenue	**0·05**
Total expansion	***Nil***

XXIV.—AGRICULTURE.

This head comprises three departments :—

Agriculture, Veterinary and Co-operative Credit.

(1) ORISSA.

Items.	**1927-28.** Whole Province.	**1927-28.** Orissa.	**1928-29.** Whole Province.	**1928-29.** Orissa.	**1929-30.** Whole Province.	**1929-30.** Orissa.
Agricultural receipts	**1·22**	**0·31**	**1·67**	**0·23**	**1·24**	**0·19**
Veterinary receipts	**0·95**	**0·11**	**1·04**	**0·13**	**0·16**	**0·08**
Collection of payments for services rendered	..	..	..	..	**1·09**	**0.05**

Item.	1927·28 Whole Province.	1927·28 Orissa.	1928·29 Whole Province.	1928·29 Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Recoveries of overpayments ..	0·07	(84)	(446)	(10»)	0·24	(272)
Co·operative credit	• « • •	..	(74)	• •	(«»;	• •
Other receipts	..(244)	(2·4)	• •	..	..	• •
Less—Refunds.. ..	..(3d0)	• ••	0·08	(472)	(106)	..
Total receipts ..	2·24	0·42	2·68	0·86	2·7$	0·32

A.—Basic *figure.*

89. A greater part of the receipts of the Veterinary Department is concerned with the recoveries on account of the services of Assistant and Sub·Assistant Veterinary Surgeons lent to District Boards and Municipalities. In the two years 1927·28 and 1928·29, these recoveries were taken as Veterinary receipts ; in 1929·30, owing to a change of classification they were taken to the newly created head—" Collection of payments for services rendered " which explains the small Veterinary receipts in 1929·30. The total receipts of the departments are not however affected.

The average Orissa receipts of this head of account are 0·37 to which must be added well·boring receipts of Orissa which on an average amount to 0·02.

B,—*Expansion·*

90. There is not much scope for expansion of revenue under this head. The three departments concerned with this head of account are spending rather than earning departments and any considerable increase will be more than counterbalanced by corresponding expenditure. Expansion is therefore *nil*

Basic revenue	.. ..	0·39
Expansion	.. •• • •	*Nil.*
	Total ..	0·39

(2) VIZAGAPATAM.

A.—*Basic figure.*

91. Agricultural receipts are *nil.* Veterinary receipts are insignificant. They were *nil* in 1927·28 and 1928·29 and Rs. 59 in 1929·30.

Go·operative receipts are practically insignificant· Expansion is also *nit*

(3) GANJAM.

A.—*Basic figure.*

92. The agricultural receipts were 0·01 in each of the years 1927·28, 1928·29 and 1929·30. The receipts of the Veterinary and Co·operative Departments are insignificant. Basic receipts may be taken as 0·01. Expansion is ml.

Summary.

93.

(1) ORISSA.

Basic revenue	0·39
Expansion	*Nil.*

(2) VIZAGAPATAM.

Basic revenue	
Expansion	*Nil..*

(3) GANJAM.

Basic revenue	*Nil.*
Expansion	~~0.01~~
	Nil.
Total Basic revenue	0·40
Total expansion ..	*Nil.*

XXV.—INDUSTRIES.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Industries	0·64	0·38	2·37	0·18	2·76	0·17
Recoveries of overpayment ..	(344).	(23)	0·03	0·01	0·27	0·05
Collection of payment for services rendered	..	..	..	..	0·10	(176)
Fisheries	..		0·01	0·01	0·01	0·01
Deduct—Refunds	(·6)	..	(·20)	(18)	(·41)	..
Total ..	0·64	0·38	2·41	0·20	3·14	0·23

A.—*Basic figure.*

94. The receipts of the latter two years are not comparable with those of 1927·28, in and up to which year, the sale proceeds of articles manufactured at the various industrial schools and technical institutes were taken in reduction of expenditure. From 1928·29 they are being treated as direct receipts. The amount involved in 1927·28 was 1·56 for the whole province and 0·08 for Orissa.

95. The receipts 0·38 for Orissa in 1927·28 include 0·27 on account of a donation, in connection with the Prince of Wales visit, for the construction of the Orissa School of Engineering Building ; at the same time 0·08 being the sale·proceeds of articles manufactured in the Orissa School of Engineering was taken in reduction of expenditure. The correct receipts figure for 1927·28 of a normal nature is therefore :

Actual receipts	0·38
Deduct—Donation	—0.27
	0·11
Add—Sale·proceeds of manufactured articles	0·08
Add—Fees for services rendered	0·01
Receipts of **1927·28**	0·20
Receipts of **1928·29**	0·20
Receipts of **1929·30**	0·23
	0·63

The average is 0·21.

MC8RQ

96. The budgets for 1930-31 **and** 1931-32 **for** the **whole province are put at** 0 • **79** and 0·84 respectively. The fall in revenue is however only apparent and is due to the fact that the accounts of the Cottage Industries Institute, the Bhagalpur Silk Institute, the Gaya Wool Weaving Institutes as well as the accounts of the manufactures of cotton goods for the foreign market have been commercialised, the receipts being credited and the expenditure debited to **a** personal ledger account. The budgets for these two years, 1930-31 and 1931-32, do not therefore include any receipts from these institutions except **a** small sum of Rs. 6,000 which will be recovered from them as indirect charges for Gtovernment supervision, etc.

A separate Orissa will not perhaps elect to retain the commercialised system of accounts as the activities of this department in that division are not of much importance. It is therefore more convenient to base our estimates on the actuals of the three years concerned. Basic figure is therefore 0-2L

B.—*Expansion.*

97. There is already a demand for the establishment of a Cottage Industries Institute. If it is started, it is expected to bring in a revenue of 0·34.

Basic revenue	0-21
Expansion	0·34
	0-56

(2) VIZAGAPATAM.

98. Receipts are insignificant. Expansion is *nil*

(3) QANJAM.

Receipts—

1927-28	0'06
1928-29	0-06
1929-30	0-15
	0-27

A.—*Basic figure.*

99. They are on account of fees or other sums realised by the Industrial School at Ichapuram and from fisheries.

Average is 0·09 which may be accepted as basic revenue. Expansion is *nil.*

Summary.

100.

(1) ORISSA.

Baeio revenue	**0·21**
Expansion	**0·34**

(2) **VIZAGAPATAM.**

Basiorevenue	***Nil.***
Expansion	**Nil.**

(3) GANJAM.

Basic revenue	0·09
Expansion	*Nil*
Total basic revenue ..	0-30
Total expansion ..	0-34

XXVI.—MISCELLANEOUS DEPARTMENTS.

(1) ORISSA.

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Fees for Registration of Trade Unions.	..	..	(10)	..	(3)	..
Examination fees	(285)	(24)	(445)	(305)	0-01	..
Miscellaneous	(520)	..	(21)	..	0-01	..
British Empire Exhibition ..	0-01	..	0·02	..	(399)	..
Lees—Refunds	..	..	..	..	-	
	0-01	..	0-02	..	0·02	..

A.—*Basic figure.*

101. The receipts under this head are practically *nil.* But since 1930-31, the receipts on account of motor vehicles are being credited to this head instead of to 'XXXV—Miscellaneous'. The receipts pertaining to Orissa on this account have averaged 0.07 which may therefore be taken as basic receipts. Expansion is *nil*

(2) VIZAGAPATAM.

	Rs.
1927-28	406
1928-29	666
1929-30	968
Total ..	2,030

A.—*Basic figure.*

102. The average is Rs. 677 or 0-01. In later years, since the passing of the Madras Motor Vehicles Taxation Act, the receipts on this account are credited to this head. There are about 15 motor vehicles plying in the Jeypore Agency and about Rs. 1,500 or 0·02 more may be expected as Government revenue. Basic revenue is 0·03. Expansion is *nil.*

(3) GANJAM.

1927-28	0-07
1928-29	0-08
1929-30	0-07
Total ..	0-22

A.—Basic figure.

103. Average receipts—**mainly from examination fees—are 0·07 to which may** be added 0- 04 as the net receipts **from** Motor Vehicles **Taxation Act. The basic revenue may be taken as** (M L Expansionism?.

Summary.

104.

(1) ORISSA.

Basic revenue	..	**0·07**
Expansion	..	***Nil***

(2) VIZAGAPATAM.

Basio revenue	..	**0·03**
Expansion	..	***Nil.***

(3) GANJAM.

Basic revenue	..	**0.11**
Expansion	...	***Nil.***
Total basic revenue	..	**0-21**
Total expansion	..	***NU.***

XXX.-CIVIL WORKS.

(1) ORISSA.

	1927-28.	1928-29.	1929-30.
Receipts	**0-52**	**0-68**	**0-77**
Lea—Refunds	**(256)**	**(452)**	**0·01**
	0-52	**0'68**	**0-76**

A.—*Basic figure.*

105. The average of Orissa receipts 0-6·5 may be accepted. The apparent rise in receipts in the later two years is on account of miscellaneous receipts which are of a very fluctuating nature and cannot always be relied on as a recurring source of receipts.

B.—*Expansion.*

106. Expansion is *nil* House-rent recovered from Government officials is the chief item of revenue under this head and being strictly recovered according to rules regulating the pay and allowances of Government officials is not subject to rise or fall according to market conditions, etc.

(2) VIZAGAPATAM.

107. There were till recently two executive Divisions, *viz.,* **the Vizagapatam** Division and Koraput Division working in the Jeypore Agency **area. In** 1928-29, there was also another Division, the Narsapatam Division, which has since been abolished, the work having been made over to the other two Divisions. Some months **back, even** the **portion of the Vizagapatam Division area**

included in the Jeypore Agency—*viz.*, the Gunupur and Rayagadda sub-divisions—was added to the Koraput Division which alone now carries on the work in the Jeypore Agency. Two sub-divisions of the original Koraput Division have also been recently abolished.

	Gunupore and Kayagadda sub-division.	Jeypore Agency of the Koraput Division.	Total.
1927-28	..	1-26	1-26
1928-29	1-47	- 1-02	2-49
1929.30	0-44	0-92	1·36
Total ..	1-91	3·20	5·11
Average ..	0-64	1-06	1-70

A.—*Basic figure.*

108. Nearly the whole of these receipts came from road tolls. Since the passing of the Madras Motor Vehicles Taxation Act, tolls have been abolished and if the Act continues in its present form, Government cannot expect revenue to the extent of the average 1 • 70. It is understood that the Act is under revision and we think it may be safely assumed that this revision will ensure receipts under this head which may be taken at one lakh. Expansion is *nil*

(3) GANJAM.

1927-28	0-02
1928-29	0-01
1929-30	0-03

A.—*Basicfigure.*

109. That the receipts in 1928-29 appear as a *minus* quantity was mainly due to more refunds having been paid in that year to Government servants on account of house rent in consequence of the revision of the rules regulating the rents to be recovered. Omitting that year's figures the average is 0·03. Expansion is *nil*

110. Since 1930-31 Provincial Governments receive subsidy from th6 Road Development Fund. The amount which Bihar and Orissa Government expect in 1931-32 and 1932-33 is put at 2·50 of which one-tenth is taken as Orissa's share. We do not think that the new Government can legitimately consider the subsidy as revenue proper as it is balanced by the actual expenditure on certain previously approved items of road communications. We have not allowed for such additional expenditure on the disbursement side. The receipts from the subsidy is therefore omitted from the receipts side of Orissa. This also holds good in the case of Vizagapatam and Ganjam districts.

Summary·

111.

(1) ORISSA.

Basic revenue	0·65
Expansion	*Nil.*

(2) VIZAGAPATAM.

Basic revenue	1-00
Expansion	NU.

(3) GANJAM.

Basic revenue	0.03
Expansion	Nil.
Total basic revenue	1-68
Total expansion	Nil.

XXXIIL-RECEIPTS IN AID OF SUPERANNUATION.

(1) ORISSA.

Items.	1927-28. Whole Pro-vince.	1927-28. Orissa.	1928-29. Whole Pro-vinoe.	1928-29. Orissa.	1929-30. Whole Pro-vince.	1929-30. Orissa.
Contributions for pensions and gratuities.	1-19	0-31	1-41	0-26	0-91	0-24
Miscellaneous ..	0-02	..	0-41	(26)	0-37	..
*Deduct—Ret*unds ..	..	..	63	..	(407)	(25)
Total ..	1-21	0-31	1-82	0·26	1-28	0-24

A.—*Basic figure.*

112. These receipts represent mainly contributions made by local bodies towards the pensions of either Government servants lent to them or of primary school teachers. In addition to the Orissa receipts shown above, it may be that some small receipts are realised in Bihar on account of contributions towards the pensions of officers in respect of whom Orissa has a pensionary liability. Such receipts should properly be credited to Orissa ; but it is not possible to distinguish these receipts easily and in any case they are so small that they may be neglected. In the circumstances the average of 0 • 27 may be taken as the basic figure.

B.—*Expansion.*

113. It is not necessary to allow for any expansion of receipts under this head, as expansion of receipts also entails the undertaking of additional pensionary liabilities which will in the long run have the effect of counter-balancing the receipts.

(2) VIZAGAPATAM.

1927-28	0-08
1928-29	0-11
1929-30	0-07
1930-31	0-07
Total	0·33

A— *Basic figure*.

114. The average is 0·08, A greater part of these receipts is on account of the Dewan of Jeypore Samasthanam. The average may be accepted. Expansion is *nil:*

(3) GANJAM.

1927-28	..	..	..	..	..	.. 0-16
1928-29	..	..	..	..	..	.. 0·16
1929-30	..	..	..	..	..	.. 0-15
					Total	.. 0-47

115. The average is 0·16 which we adopt as basic figure. Expansion is *nil.*

Summary.

116,

(1) ORISSA.

Basic revenue	..	..	..	..	..	.. 0-27
Expansion	..	..	..	..	..	.. *NU.*

(2) VIZAGAPATAM.

Basic revenue	..	..	..	..	..	.. 0·08
Expansion	..	..	..	..	..	.. *Nil.*

(3) GANJAM.

Basic revenue	..	..	..	..	..	.. 0·16
Expansion	..	..	..	..	..	.. *Nil.*
				Total basic revenue		.. 0-51
				Total expansion		.. *Nil.*

XXXIV.—STATIONERY AND PRINTING.

(1) ORISSA.

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Stationery receipts ..	0-08	..	006	001	009	(201)
Sale of gazettes and other publications.	0-34	(1)	0-40	..	0·40	(83)
Other Press receipts ..	0-46	0·03	0·46	006	0·55	0·06
Less—Refunds ..	(244)	..	(183)	..	001	..
Total Revenue ..	0-88	003	0·92	0-07	1-03	006

A.—*Basic figure.*

117. The average of Orissa receipts is 0·05 excluding receipts on account of plain paper. There is however 40 press or stationery office in Orissa. **The above receipts pertaining to Orissa Division are therefore properly the receipts**

of the Government Presses and Stationery Office in Bihar. If, however, Orissa has a Press of its own, after] separation, 0-05 may be taken as **the** receipts which would probably accrue to it. This, however, does not include **the** receipts on account of plain paper. These receipts were credited to VII—**Stamps** in 1927-28 and 1928-29. It is only since 1929-30 that they are being credited to this head. These receipts in recent years were :—

1927-28	..	**0·18**
1928-29	..	**0-16**
1929-30	..	0-21
Total	..	0-54
Average	..	0-18

To the average of 0-05 on account of other receipts, 0·18 should be added bringing the total receipts to 0-23 which is therefore adopted as the basic figure. Expansion is *nil.*

(2) VIZAGAPATAM.

		Rs.
1927-28	..	756
1928-29	..	396
1929-30	..	408
1930-31	..	1,105
Total	..	2,665
Average	..	666

A.—*Basic figure.*

118. The receipts represent the subscription for the Government Gazette and the sale-proceeds of copies of Acts, etc. They cannot be considered as arising from the area under consideration, as there is neither a Press nor Stationery Office in that area. But the average receipts of Rs. 666 may be accepted as the basic revenue under this head of the new province, when it is formed, since it has been proposed elsewhere that the new province should have a press as well as a stationery office. Basic revenue 0 • 01. Expansion is *nil.*

(3) GANJAM.

1927-28	..	**0-02**
1928-29	..	**0-02**
1929-30	..	**0-02**
Total	..	**0·06**

119. The average is 0·02 which may be accepted as basic figure as in the case of the Vizagapatam receipts. Expansion is *nil*

Summary.

120.

(1) ORISSA.

Basic revenue	..	0-23
Expansion	..	*Nil.*

(2) VIZAGAPATAM.

Basic revenue	.. ..	0·01
Expansion	.. ..	*Nil.*

(3) GANJAM.

Basic revenue	.. ..	0·02
Expansion	.. ..	*Nil.*
Total basic revenue	..	0·26,
Total expansion	..	*Nil.*

XXXV.—MISCELLANEOUS.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Unclaimed deposits ..	4·60	..	5·32	..	7·06	..
Sale-proceeds of durbar presents.	..	..	(35)	..	(22)	..
Sale of old stores and materials.	0·15	0·01	0·03	0·01	0·04	0·02
Sale of land houses ..	0·01	(495)	0·01	..	(10)	..
Fees for Government audit	0·60	0·08	0·81	0·16	0·35	0·08
Treasure trove ..	0·01	(12)	..	..	(3)	..
Bents, rates and taxes	0·23	0·02	0·26	0·02	0·39	0·03
Fees, fines and forfeitures	0·08	0·01	0·06	0·02	0·38	0·05
Collection of payments for services rendered.	..	..	..	..	0·42	0·04
Recoveries of overpayments.	0·10	0·01	0·11	(296)	1·54	0·01
Miscellaneous	0·40	0·01	0·21	0·01	0·65	0·01
Contributions	..	..	0·41	0·01	..	..
Deduct—Refunds ..	2·62	0·12	2·26	0·15	2·38	0·22
Net receipts ..	3·56	0·02	4·95	0·08	8·45	—0·03

121.

A.—*Basic figure.*

		1927·28.	1928·29.	1929·30.
Orissa receipts :—	Gross	0·14	0·23	0·19
	Refunds	0·12	0·15	0·22
	Net.	0·02	0·08	—0·03

The average is 0·02. In these years, the Bihar and Orissa Government also received an average of 5·66 as unclaimed deposits. These represent amounts deposited with Government by contractors, and revenue, criminal or Civil Court deposits which lapse to Government after a certain number of years and are then adjusted by credit to this head of account, thus clearing the deposit registers. The transaction is purely one of book adjustment in the office of the Accountant General carried out in lump for the whole province generally. There is no doubt that some part of these receipts pertained to Orissa, but it is not possible to allocate the exact amount. If claimants appear for refund of their moneys after their lapse, they are paid by debit to " Deduct

Refunds" which is therefore purely a cash transaction and a greater part of the rfefunds under this head are on this account. It is therefore possible to allocate to Orissa its share of the unclaimed deposits on the basis of the proportionate amounts of refunds paid in the whole province and in Orissa. The average receipts on account of unclaimed deposits in the whole province namely, 5·66 is 2-1/3 timas the average amount of refunds. The average refunds of the whole province being 2·42 and the corresponding amounts paid from Orissa Treasuries being 0-16, 0-37 should be added to the average receipts of 0·02 which pertains to Orisea. The basic receipts thus come to 0-39 which may be accepted. Expansion is *nil*.

(2) VIZAGAPATAM.

A.—*Basic figure.*

122. Receipts representing mainly cattle pound receipts were as follows :—

1927-28	0-02
1928-29	0.02
1929-30	0.03
1930-31	0.05
Total	0·12

or an average of 0 03 which may be taken as basic revenue. Expansion is *nil.*

(3) GANJAM.

A.—*Basic figure.*

123. Receipts under this head are, as the head of account indicates, such as cannot appropriately be credited to other heads—e.^., unclaimed deposits, fees for Government audit, contributions, etc. Actual receipts in recent years were:—

1927-28	0-09
1928-29	0.16
1929-30	0.14

or an average of 0·13 whioh may be accepted. Expansion may be taken as *nil*

Summary.

124.

(1) ORISSA.

Basto revenue	0·39
Expansion	—

(2) VIZAGAPATAM.

Basic revenue	0·03
BxpauriaD	—

(3) GANJAM.

Basio revenue	.. .. ,.	0·13
Expansion	.. ..	*Nil.*
Total bade revenue	..	0 · 55
Total expansion	..	*Nil.*

XVI.—INTEREST.

125. This head records interest recovered mainly on account of loans and advances by Government to agriculturists, local bodies, etc., through the Provincial Loans Account. Considering the past actuals and the amount that will probably be outstanding on 1st April 1933 and applying to it the average of the rates of interest at which the amounts have been or will be lent to cultivators, etc. Orissa will probably get a revenue of 0· 15 from this source in the year of separation.

Similarly, the receipts that will accrue to Government under this head of account from the Madras area will be 0-19, of which 0-02 will be from the Jeypore Agency area.

FINANCIAL·

APPENDIX II

EXPENDITURE.

Detailed notes showing—

A.—Basic figures.

B.—Cost of separation.

C—Expansion.

Basic Figures of Expenditure.

Major Head.	Average of Orissa.	Average of Vizagapatam.	Average of Ganjam.	Total of the Averages.	Basic figure.
5. Land Revenue	10·28	..	0·26	10·54	2·92
6. Excise	1·99	0·31	0·44	2·74	6·67
7. Stamps	0·21	0.01	0·09	0·31	0·45
8. Forests	2·05	..	2·29	4·34	3·55
9. Registration	1·01	..	0·55	1·56	1·55
XIII. Irrigation Working expenses ..	4·03	..	1·13	5·16	2·99
15. Miscellaneous Irrigation ..	2·09	..	0·39	2·48	1·30
16. Irrigation	0·10	..	0·27	0·37	0·32
22. General Administration ..	9·05	2·15	4·36	15·56	15·96
24. Administration of Justice ..	3·08	0·15	1·43	4·66	5·01
25. Jails and Convict Settlements ..	1·46	0·57	0·48	2·51	2·51
26. Police	11·73	4·68	4·16	20·57	20·28
27 Ports and Pilotage	..	..	..	..	..
30. Scientific Departments ..	..	..	..	..	0·01
31. Education	16·76	0·85	6·74	24·35	25·67
32. Medical	4·10	0·77	1·27	6·14	6·43
33. Public Health	0·87	0·23	0·31	1·41	1·87
34. Agriculture	2·19	0·03	0·44	2·66	2·92
35. Industries	1·21	..	0·06	1·27	1·28
37. Miscellaneous Departments ..	..	..	0·03	0·03	0·14
41. Civil Works	10·26	6·42	5·32	21·00	26·72
43. Famine Relief	..	..	..	..	1·40
45. Pensions	..	..	..	..	10·25
46. Stationery and Printing ..	..	..	003	003	0·57
47. Miscellaneous	0·55	0·02	002	0·59	0·86
19. Interest .. .. .. / 21. Reduction of debt	} ..	..	..	..	10·87
	83·02	15·19	30·07	128·28	152·50

Statement of Basic Expenditure.

Major Head.	B.&O. Province. Orissa.	Madras Presidency. Vteaga·patam.	Madras Presidency. Ganjam.	Total for Madras Presidency (Columns 3&4).	Total Basic expenditure (Columns 2&5).
1	2	3	4	5	6
6. Land Revenue	2·66	..	0·26	0·26	2·92
6. Excise	5·12	1·08	0·47	1·55	6·67
7. Stamps	0·33	0·01	0·11	0·12	0·45
8. Forests	1·85	..	1·70	1·70	3·55
9. Registration	1·00	..	0·55	0·55	1·55
XIII. Irrigation Working expenses ..	1·86	..	1·13	1·13	2·99
15. Miscellaneous Irrigation ..	0·91	..	0·39	0·39	1·30
16. Irrigation	0·05	..	0·27	0·27	0·32
22. "General Administration ..	9·55	2·15	4·26	6·41	15·96
24. Administration of Justice ..	3·24	0·34	1·43	1·77	5·01
25. Jails and Convict Settlements ..	1·46	0·57	0·48	1·05	2·51
26. Police	12·06	4·21	4·01	8·22	20·28
27. Ports and Pilotage	..	.	..	..	..
80. Scientific Departments ..	..	0·01	..	0·01	0·01
81. Education	17·40	0·85	7·42	8·27	25·67
32. Medical	4·32	0·84	1·27	2·11	6·43
83. Public Health	1·26	0·27	0·34	0·61	1·87
84. Agriculture	2·43	0·05	0·44	0·49	2·92
35. Industries	1·22	..	0·06	0·06	1·28
37. Miscellaneous Departments ..	0·06	0·01	0·07	0·08	0·14
41. Civil Works	15·87	5·53	5·82	10·85	26·72
43. Famine Relief	1·00	0·10	0·30	0·40	1·40
45. Pensions	6·53	,,	3·72	3·72	10·25
46. Stationery and Printing ..	0·20	0·04	0·33	0·37	0·57
47. Miscellaneous	0·68	0·26	0·02	0·28	0·86
19. Interest .. .. . 21. Reduction, of debt .. .	8·93	..	1·94	1·94	10·87
	99·89	16·32	36·29	52·61	152·50

Statement of Expansion of Expenditure.

Major Head.	B. & O. Province. Orissa.	Madras Presidency. Vizaga·patam.	Madras Presidency. Ganjam.	Total of Madras Presidency (Columns 3&4.)	Total expension of expenditure (Columns 2 4 5).
1	2	3	4	5	6
5. Land Revenue	..	..	..	..	..
6. Excise	..	..	..	..	..
7. Stamps	..	..	..	..	..
8. Forests	..	..	..	..	..
9. Registration	..	0·04	..	0·04	0·04
XIII. Irrigation Working expenses ..	..	..	..	..	..
15. Miscellaneous Irrigation ..	..	..	..	..	..
16. Irrigation	..	..	..	..	..

Statement of Expansion of Expenditure—contd.

Major Head.	B. & O. Province. Orissa.	Madras Presidency. Vizagapatam.	Madras Presidency. Ganjam.	Total of Madras Presidency (Columns 3 & 4).	Total expansion of expenditure (Columns 2 & 5).
1	2	3	4	5	6
22. General Administration ..	..	..	..	..	..
24. Administration of Justice ..	..	..	..	..	..
25. Jails and Convict Settlements ..	..	..	..	..	..
26. Police	..	..	..	..	..
27. Ports and Pilotage	..	..	..	..	..
30. Scientific Departments ..	..	..	..	..	..
31. Education	2·21	0·15	..	0·15	2·36
32. Medical	..	..	..	..	..
33. Public Health	..	..	..	..	..
34. Agrioulture	..	..	..	..	..
36. Industries	0·60	..	0·04	0·04	0·64
37. Miscellaneous Departments ..	..	..	..	..	..
41. Civil Works	..	0·70	..	0·70	0·70
43. Famine Relief	..	..	..	..	..
45. Pensions	3·00	..	1·36	1·36	4·36
46. Stationery and Printing ..	..	..	..	..	..
47. Miscellaneous	..	..	..	..	..
19 & 21. Interest and Reduction of debt.	0·01	..	..	..	0·01
	5·82	0·89	1·40	2·29	8·11

Stertement of Cost of Separation,

Major Head.	B. & O. Province. Orissa.	Madras Presidency. Vizagapatam.	Madras Presidency. Ganjam.	Total of Madras Presidency (Columns 3 & 4).	Total cost of separation (Columns 2&5).
1	2	3	4	5	6
5. Land Revenue	0·18	..	..	..	0·18
6. Excise	0·18	0·12	..	0·12	0·30
7. Stamps	..	..	..	..	..
8. Forests	0·07	..	..	..	0·07
9. Registration	0·09	..	..	..	0·09
XIII. Irrigation working expenses ..	..	..	..	..	..
15. Miscellaneous Irrigation ..	..	..	..	..	..
16, Irrigation	..	..	..	..	...
22. General Administration ..	7·10	0·29	..	0·29	7·39
24. Administration of Justice ..	0·90	..	..	..	0·90
25. Jails and Convict Settlements ..	0·29	..	..	..	0·29
26. Police	1·35	0·11	..	0·11	1·46
27. Ports and Pilotage	..	..	..	..	..
30. Scientific Departments ..	—	—	..	..	..
31. Education	0·39	..	..	..	0·39
32. Medical .. — ..	1·38	..	..	..	1·38
33. Public Health ~ ..	0·63	..	..	..	0·63
34. Agrioulture	0·43	..	..	..	**0·41**

Statement of Cost of Separation—oontd.

Major Head.	B.&O. Province. Orissa.	Madras Presidency. Vizagapatam.	Madras Presidency. Ganjam.	Total of Madras Presidency (Columns 3&4).	Total cost of separation (Columns 2&5).
1	2	3	4	5	6
35. Industries	0·24	..	..	,,	0·24
37. Miscellaneous Departments ..	003	..	..	..	0·03
41. Civil Works	1·19	0·04	..	004	1·23
48. Famine Relief	..	..	..	..	..
45. Pensions	..	..	..	..	..
46. Stationery and Printing ..	2·89	..	..	.	2·89
47. Miscellaneous	..	..	..	..	..
19 & 21. Interest and Reduction of debt.	0·33	..	..	..	0·33
	17·67	0·56	..	056	18·23

(5).·LAND REVENUE.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Charges of Administration.						
Tauzi establishment ..	1·49	015	1·48	0·15	1·52	0·15
Certificate Establishment	0·46	005	0·46	0·05	0·47	005
Kanungo establishment ..	0·98	0·42	0·98	0·40	0·93	0·36
Partition establishment ..	2·05	009	1·80	0·08	1·76	009
Management of Private Estates under Act X of 1892.	0·27	0·04	0·26	0·03	0·25	003
Collection of rates and ceases.						
Collection	0·29	0·08	0·28	0·08	0·29	013
Valuation and revaluation	0·27	..	0·32	..	0·62	007
Deduct—Cost of collection	0·56	0·08	0·60	0·08	0·91	0·20
Management of Government Estates—Collection of Revenue.						
Districts other than Santal Parganas.	3·06	0·99	3·10	1·07	3·29	1·18
Santal Parganas ..	0·52	..	0·53	..	0·53	..
Outlay on Improvements	1·49	0·39	1·62	0.42	1·62	0·41
Survey and Settlements.						
Superintendence ..	0·65	..	0·61	..	0·62	..
Survey office and Traverse establishment.	1·35	..	1·36	..	1·43	..
Revision of settlement operations—						
in Orissa	8·89	8·89	8·52	8·52	5·46	5·46
in Chota Nagpur ..	0·86	..	1·84	..	3·16	..
in Santal Parganas ..	2·29	..	2·34	..	343	..

(1) *Orissa—contd.*

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Oriasa.	1929-30. Whole Province.	1929-30. Orissa.
Other operations ..	0·53	..	0·57	..	0·44	..
Municipal Surveys ..	0·20	..	0·11	..	0·03	..
Minor Settlements ..	..	..	0·13	0·01	0·08	..
Maintenance of Boundary pillars.	..	..	0·02	..	0·03	(99)
Maintenance of land records.	0·38	0·39	0·38	0·38	0·40	0·40
Land registration ..	0·35	0·06	0·34	0·06	0·34	0·06
Assignments and compensations.	1·03	..	1·04	..	0·96	..
English Stores	0·03	..	0·02	..	0·01	..
Expenditure in England. .	0·30	..	0·33	..	0·36	..
Total ..	26·98	11·47	27·84	11·17	26·11	8·19

A.—*Basic figure.*

The average expenditure of the three years of Orissa is 10·28; it, however, includes large expenditure on account of revision of survey and settlement operations. In the three years concerned, this expenditure was

1927-28	8·89
1928-29	8·52
1929-30	5·46
Total ..	22·87

or an average of 7·62. The settlement operations are expected to close in December 1932 and there will be no further expenditure after separation till about 1957. This expenditure should, therefore, be omitted from the actual average expenditure.

2. Orissa is not concerned with any part of English expenditure.

3. The basic expenditure of Orissa under this head is, therefore, claculated thus:—

Average, expenditure	10·28
Dediict—Expenditure on account of settlement operations	7·62
Basic expenditure	2·66

B.—*Cost of separation.*

4. The basic expenditure does not provide for the Director of Land Records and Surveys. As the revision of Surveys and Settlement operations are terminating shortly, a separate officer is not necessary. It has been proposed in the note on General Administration that this work should, therefore, be entrusted to the Revenue Commissioner and his pay, etc., is provided for there. He will, however, require one head clerk and two clerks. Their cost including other incidental charges amounts to 6·04. As regards Survey Office and

Traverse Establishment until experience points out to the creation of a separate establishment, Orissa may continue to share the present office of Bihar by. paying a contribution of one·tenth of the annual cost, i.e., 0·14. The total cost of separation is, therefore, 0·18. Expansion is *nil.*

(2) VIZAGAPATAM.

5. There is no expenditure under this head of. account. The whole area is under the permanent Settlement system. Consequently there is no expenditure on maintenance of land records, survey and settlements or other expenses in connection therewith.

6. Expansion and cost of separation are *nil.*

(3) GANJAM.

Year.	Net Expenditure.	Recoveries taken in abatement.	Gross.
1927·28	0·08	0·20	0·28
1928·29	0·23	..	0·23
1929·30	0·40	..	0·40
Total ..	0·71	0·20	0·91
Average ..	0·23	0·07	0·30

7. 0·20 shown as recoveries of expenditure taken in reduction were on account of Survey and Settlement undertaken on behalf of zamindars and may, therefore, be neglected. The expenditure in 1929·30 rose by about 0·13 on account of the Berhampur Municipal Survey. ·Excluding this amount, the total gross expenditure of the three years is 0·78 and the average is 0·26 which may be accepted.

8. Cost of separation is *nil* as also expansion.

9. *Summary,*

(1) ORISSA.

Basic expenditure	2·66
Cost of separation	0·18
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure	..
Cost of separation	..
Expansion	..

(3) GANJAM.

Basic expenditure	0·26
Cost of separation	..
Expansion	..
Total basic expenditure ..	**2·92**
Total coat of separation ..	**0·18**
Total expansion ..	..

6.—EXCISE.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Superintendence ..	0·65	..	0·66	..	0·75	..
District Executive establishment.	10·58	1·83	10·45	1·90	11·05	1·82
Deduct—Amount reoovered from the Government of India.	0·76	..	0·76	..	0·76	..
Compensations	0·09	0·08	0·07	0·07	0·08	0·07
Cost of opium supplied to the Excise Department.	8·56	0·01	7·58	..	7·14	..
Purchase of Ganja and other drugs.	0·05	0·05	0·03	0·03	0·07	0·07
Stores (High Commissioner)	0·02	0·01	0·02	0·01	0·01	0·01
Total ..	19·19	1·98	18·05	2·01	18·34	1·97

A.—*Basic figure.*

10. The average of Orissa expenditure comes to 1·99. The contribution of 0·76 which the Bihar and Orissa Government annually receives from the Central Government is wholly on account of Salt establishment employed in the Orissa Division. This contribution has, therefore, to be taken in reduction of the average cost of 1·99. This figure does not, however, include the cost of opium purchased from the Government of India. The quantity of opium purchased in previous years on an average was 565 maunds. Allowing therefore for the restrictions imposed on the consumption of opium by the Orissa Smoking Act, we estimate the average requirements of the Orissa Division of the new province at 525 maunds which at Rs. 18·9·0 per seer would cost the new Government a sum of 3·9 per annum. The basic expenditure is therefore calculated at 5·12 as follows :—

Average expenditure	1.99
Cost of opium	3·89
	5·88
Deduct—Contribution from the Government of India ..	0·76
Net ..	5·12

B.—*Cost of separation.*

11. The Gazetted staff of the whole province of Bihar and Orissa consists of—

1 Commissioner of Excise and Salt (who is also Inspector General of Registration),

1 Deputy Commissioner,

20 Superintendents,

of whom four Superintendents are allotted to the Orissa Division. AS the Bihar and Orissa Commissioner of Excise and Salt is also Inspector General of Registration, it is clear that the new province will not require a separate Head of the Department. We think that in the new province the duties of the Commissioner of Excise can be assigned to the Revenue Commissioner whose appointment will be considered under '22-General Administration '. He will, however, require a staff of—

		Rs.
1 Personal Assistant (of the grade of Superintendent. He will also do the work of the Inspector of Distilleries and Warehouses and of inspecting Excise offices)	..	5,800
4 Clerks	..	4,800
4 Menials	..	700
Allowances	..	1,300
Contingencies	..	1,400
Total	..	14,000

The Police Training College at Hazaribagh and the corresponding School at Nathnagar undertakes the training of executive subordinates and cadets and constables of the Excise Department. Since both these institutions are in Bihar, the new Government of Orissa may find it convenient to enter into an agreement with the Bihar Government for training candidates from Orissa for the Excise Department. (Assam also follows the same method. Its Police officers are trained at the Sarda Training College in Bengal at a cost of Rs. 2,153 a year for Indian or Provincial Police Service officers and Rs. 735 for a Sub-Inspector.) We are informed that the Bihar Government would charge Rs. 700 a year for Orissa cadets and Rs. 80 a year for constables. It is estimated that four new Sub-inspectors and 15 constables (including the requirements of Ganjam and Vizagapatam also) could be absorbed every year and the cost of training them at the Bihar institutions will be 0·4 as follows :—

		Rs.
4 x 700	..	=2,800
15 X 80	..	=1,200
		4,000

The total cost of separation will thus come to 0·18 as follows :—

Overhead staff	..	0·14
Training Excise candidates	..	0·04
		0·18

C.—*Expansion.*

12. There are no indications of expansion of expenditure.

13. The quantity of opium in stock at the Orissa Treasuries on the first of April of 1927, 1928, 1929, 1930 and 1931 on an average was 191 maunds. Though it cannot be foreseen at this stage what will be the quantity of opium

in stock at those treasuries on the date of separation, the average of the last five years, i.e., 191 maunds, may be taken as the quantity which will be an asset to the new province.

(2) VIZAGAPATAM.

A.—*Basic figure.*

14. Besides the Abkari establishment under Revenue officers, there was appointed on the 1st October 1925 an Assistant Inspector of Excise, at Gunupur, having jurisdiction over that taluk. There is a distillery at Gunupur. From the 1st May 1931 the Assistant Inspector at Gunupur was transferred to Rayagadda and a new circle called the Parvatipuram Agency circle has been started from the same date with jurisdiction over the taluks of Gunupur, Bissemcuttack, Rayagadda and the Narayanpatnam agency of the Parvatipur taluk. This circle is in charge of a Circle Inspector at Parvatipuram. From the 1st January 1930, the Jeypore Agency circle was established under the central distillery system, having jurisdiction over Pottangi, Koraput, Jeypore, Nowrangpore. This system was also later, *i.e.*, from the 1st April 1931, extended to a part of Padwa Taluk and Deshya Kondh area of Bissemcuttack taluk under a Sub-Inspector and five peons. In view of these recently introduced changes, the past actuals have to be considerably modified.

15. Taking the establishment under Revenue officers, the actual expenditure was:—

1927-28	.. ..	0·09
1928-29	.. ..	0·09
1929-30	.. ..	0·11
1930-31	.. ..	0·10
	Total ..	0·39

or an average of 0·10. The actual expenditure in 1929-30 and 1930-31 was more than as shown above by 0·30 and 0·03 respectively—representing the cost of erection of some excise buildings. These amounts have been omitted as they do not represent recurring expenditure and no additional buildings are either under construction or contemplation. The average of 0·10 may be accepted.

The actual expenditure of the Assistant Inspector of Excise at Gunupur, *viz.*,

1927-28	.. ..	0·20
1928-29	.. ..	0·20
1929-30	.. ..	0·20
1930-31	.. ..	0·23
	Total ..	0·83

or an average of 0·21 was the cost of both preventive and distillery establishment to which must be added the cost of the office of the Parvatipuram circle, started only from the 1st May 1931. It is estimated that the additional cost of this establishment is 0·06. The basic figure would, therefore, be 0·27.

The recorded expenditure of the Jeypore Agency circle both on account of preventive and distillery establishment was 0·12 for three months of 1929·80 and 0·68 in 1930·31. The latter may be accepted.

From the 1st April 1931, owing to the extension of the central distillery system to a portion of Padwa taluk and Deshya Khond area of Bissemcuttaok taluk, a further expenditure of 0·03 is also anticipated.

The total expenditure of the Excise Department in the Jeypore Agenoy is therefore, as follows :—

Establishment under Revenue officers .. ,. ..	0·10
Parvatipuram circle	0·27
Jeypore circle .. .. .• .. .·	0·68
Padwa and Bissemcuttaok area	0·03
Total ..	1·08

This expenditure does not take into account the supervisionary charges of higher officers having headquarters elsewhere than in Jeypore as they form part of cost of separation ; it does not also include the cost price of excise opium as the revenue of this department is depressed by a corresponding amount.

B.—*Cost of separation.*

16. For the portions of Ganjam and Vizagapatam districts which go to the new province a Supervising officer of the rank of Superintendent of Excise will be necessary at a cost of 0·12. Expansion is *nil.*

(3) GANJAM.

1928·29	0·39
1929·30	0·46
1930·31	0·48
Total ..	1·33

A.—*Basic figure.*

17. The increase in later years is due to the introduction of the central distillery system involving additional expenditure on preventive staff. For this reason, 1928·29 expenditure is not comparable with that of the next two years. The average of these years, *viz.,* 0·47, may be taken as the basic expenditure. Expansion is *nil* as also cost of separation.

Summary.

18.

(1) ORISSA.

Basic expenditure .. .. ••	5·12
Cost of separation .. ..» ..	0·18
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure ..	1·08
Cost of separation ..	0·12
Expansion ..	..

(3) GANJAM.

Basic expenditure ..	0·47
Cost of separation ..	..
Expansion ..	..
Total basis expenditure ..	6·67
Total cost of separation ..	0·30
Total expansion ..	..

7.·STAMPS.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Superintendence ..	0·14	0·02	0·18	0·02	0·15	0·01
A.—*Non ·Judicial.*						
Cost of stamps supplied from Central Stores.	1·31	..	0·29	..	0·22	..
Charges for sale of stamps	1·01	0·11	0·97	0·09	1·00	0·12
B.—*Judicial.*						
Cost of stamps supplied from Central Stores.	..	..	0·79	..	0·51	..
Purchase of plain paper ..	..	..	0·44	..	..	..
Charges for sale of stamps	0·G3	0·07	0·63	0·07	0·65	0·08
Discount on plain paper	0·09	0·01	0·09	0·01	..	..
Total charges ..	3·18	0·21	3·39	0·19	2·53	0·21

A.—Basic figure.

19. The expenditure on account of purchase of plain paper and discount on plain paper since 1929·30 is being debited to 46 Stationery and Printing. The somewhat large expenditure of 1·31 on account of cost of stamps supplied from Central Stores under A.—Non·Judicial in 1927·28 includes also the cost of Judicial stamps and plain paper ; a fact which also explains the absence of expenditure against these two heads under B.·—Judicial in that year.

20. The average of Orissa expenditure is 0·21 which, however, includes 0·01 on account of Discount on plain paper which since 1929·30 is being charged o the head 46·—Stationery and Printing. The average may, therefore, be put at 0·20.

The sub·head Cost of Stamps supplied from Central Stores is an adjustment head—the adjustment being made for the whole province in the office of the local Accountant General, Bihar and Orissa, against the corresponding debits passed on to this province by the Accountant General, Bombay. The actual amount of expenditure referable to the Orissa Division is not, therefore, separately available but the normal expenditure of Orissa may be calculated as follows:—

The average value of stamps received in the whole province annually was	122·80
The average cost of stamps supplied to the whole province ..	0·95
Similarly the average value of stamps annually received in Orissa ..	16· 20
Proportionate cost of stamps for Orissa	0·13

Orissa should, therefore, bear this sum 0. 13 as its share of the cost of stamps received from the Central Stamps Stores, Nasik.

Separate provision is being made under Stationery **and Printing for the cost of** plain paper supplied for use in connection with Judicial stamps.

21. The basic estimate of expenditure may be **put** at 0·33 **as detailed below:—**

Average expenditure	0·20
Cost of stamps supplied from Central Stores	()• 13
Total ..	0.33

No additioual expenditure is anticipated as a result either of separation or of expansion.

22. The face value of stamps in stock at the Orissa treasuries on the 1st of April, of the following years was :—

	1929.	1930.	1931.	Average.
Cuttack	5·66	6·07	7·20	6·31
Balasore	6·11	5·39	4·08	5·19
Sambalpur	2·27	2·31	2·60	2·39
Puri	2·24	3·17	2·65	2·69
Angui	0·36	0·30	0·29	0·32
	16·64	17·24	16·82	16·90

It is not possible to foresee what will be the value of stamps in stock at the Orissa treasuries on the date of separation ; but the average of the last three years, *viz.*, 16 • 90, may be taken for our purpose. Stamps of this value will be an asset to the new province.

(2) VIZAGAPATAM.

A.—*Basic figure.*

23. The direct expenditure of the Jeypore Agency has been :—

1927-28	.. ..	0·01
1928-29	.. ..	0·02
1929-30	.. ..	0·01
1930-31	.. ..	0·01
	Total ..	0·05

or an average of 0·01 to which theoretically should be added the cost of stamps supplied from the Nasik Stamps Stores. The addition, however, would be too small to affect appreciably the average expenditure of 0·01 which may be taken as basic. Cost of separation and expansion are *nil.*

(3) GANJAM.

1927-28	.. ..	0·09
1928-29	.. ..	0·08
1929-30	.. ..	0·09
	Total ..	0·26

A.—*Basic figure.*

24. Average is 0·09 to which must be added the cost of stamps supplied by the Security Printing Press, Nasik. These charges in 1928-29 and in 1929-30 were 0·04 and 0·05 respectively for the whole district and on the basis of the proportion which the revenue from stamps for the area to be transferred bears to the total revenue of the district from this source 0·02 must be added to the average of 0·09 in order to arrive at the basic expenditure of 0·11. Cost of separation and expansion are *nil.*

Summary.

25.

(1) ORISSA.

Basic expenditure	.. ..	0·33
Cost of separation	.. ..	..
Expansion ..	.. ..	..

(2) VIZAGAPATAM.

Basic expenditure	.. ..	0·01
Cost of separation	.. ..	..
Expansion ..	.. ..	..

(3) GANJAM.

Basic expenditure	..	..	..	..	..	0·11
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

Total basis expenditure	..	0·45
Total cost of separation	..	..
Total expansion	..	..

8.—FORESTS.

(1) ORISSA.

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa	1929-30. Whole Province.	1929-30. Orissa.
Conservancy, Maintenance and Regeneration.						
Timber and other produce removed by Government Agency.	0·13	0·02	0·13	0·02	0·11	0·02
Timber and other produce removed by consumers and purchasers.	0·26	0·09	0·30	0·11	0·31	0·11
Maintenance, repairs and renewals.	0·76	0·27	0·73	0·26	0·86	0·32
Conservancy and Regeneration.	0·39	0·15	0·43	0·20	0·44	0·15
Miscellaneous	0·20	0·09	0·42	0·05	0·48	0.06
Suspense	..	..	(·56)	..	(·44)	..
Establishment ..	4·83	1·36	4·95	1·40	5·07	1·47
Expenditure in England..	0·58	..	0·55	..	0·44	..
Total ..	7·21	1·98	7·51	2·04	7·71	2·13

A.—*Basic figure.*

26. The figures for the whole province differ from those in the Finance and Revenue Accounts in the years 1928-29 and 1929-30 to the extent of 0·23 and 0·34, respectively, representing interest on capital outlay on Forests. But as no amount was actually borrowed by the Bihar and Orissa Government to finance the capital outlay, the charges on this account do not affect the financial position of the province and have therefore been omitted from the above statement.

27. The average of Orissa expenditure is 2·05. The expenditure in England in the three years for the whole province has been almost wholly on establishment representing leave salary, sterling Overseas Pay, deputation salary or training of Probationers in England. The expenditure in England debitable to Orissa may be calculated in accordance with the proportion which the average establishment charges in Orissa Division, *viz.*, 1·41 bear to that of the whole province—*viz.*, 4·94, *i.e.*, 1:3·5. The average expenditure in England being 0·52 we add 0·15 as the share of Orissa.

There are at present 4 forest divisions in Orissa with 2 officers of the Indian Forest Service and 3 of the Provincial Service. There is, however, a proposal, which seems feasible, for reducing the number of divisions to three with consequential reduction in staff which is estimated to cause a saving of 0.35. In the circumstances, the basic expenditure may be calculated thus :—

Average	2-05
Expenditure in England	0·15
Deduct—Reduction in establishment	0·35
Total ..	1-85

B.—Cost *of separation.*

28. The total forest area is only 1,800 square miles made up of 1,000 square miles reserved forests and 800 square miles protected forests. There is therefore no need for a Conservator of Forests. The most feasible arrangement is to invest the Divisional Forest Officers with enhanced powers and for Purposes of administration and general control to place them under the Revenue Commissioner. This officer should be entitled to consult the Direction Division ot some other Province who would furnish the necessary expert advice with or without local inspection. Such an arrangement would involve the payment of a fixed annual contribution to the other Province of about 0. 04 per annum.

There are at present no facilities for the training of Forest Subordinates in Orissa. Orissa will absorb annually the following trained students (including the requirements of Ganjam and Vizagapatam).

Rangers	1 (every 3 years).
Foresters	3
Forest guards	8

There is however an excess number of rangers in the Bihar and Orissa cadre which is likely to be further reduced. So, for some years, there will be no necessity to send students to the Rangers' class at Coimbatore. Foresters could be trained at the Keonjhar State Forest School at the average cost of Rs. 900 per student. The Forest guards could be trained locally at Pun where such a class is proposed to be opened. The average cost would be Rs. 50 per guara. The total cost of training will thus come to Rs. 3,000 per annum.

The cost of separation is therefore 0-07 as follows :—

Annual contribution	0-04
Training of Forest subordinates	0-03
Total •.	0.07

There is not much scope for expansion.

(2) VIZAGAPATAM.

A.—*Basic figure.*

29. **Expenditure** is *nil* as all the forests belong to the Jeypore Estate.

(3) GANJAM.

Items.	1927·28.	1928·29.	1929·30.
Conservanoy and Works for both Divisions	1·19	0·62	0·37
Establishment	1·76	1·66	1·36
Total ..	2·95	2·18	1·73

A.—*Basicfigure.*

30. The larger expenditure in the first two years was due to the activities of the Russelkonda Saw Mill; and for reasons stated in the note on Forest revenue past actuals cannot be relied on to any great extent. The high expenditure on establishment is mainly due to the special establishment which is working in Balliguda Agency. A special Officer of the rank of Extra Assistant Conservator of Forests is at present employed there to select and demarcate suitable blocks for future reservation and generation. After this work has been completed, it may be that the establishment charges and consequently the total expenditure will decrease. A recent estimate by the Forest Department puts the total expenditure at 1·33 for Ganjam Forest Division and 0·37 for Parlakimedi Forest Division. 1 • 70 is therefore adopted as the basic expenditure. Cost of separation is *nil.*

C.—*Expansion.*

31. Expansion of expenditure in this department is closely connected with revenue, and as we have not allowed anything for expansion of revenue, we do not anticipate any expansion in expenditure.

Summary.

32.

(1) ORISSA.

Basic expenditure	1·85
Cost of separation	0·07
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure	*Nil.*
Cost of separation	*Nil*
Expansion	*Nil*

(3) GANJAM.

Basic expenditure	1·70
Cost of separation	..
Expansion	..
Total basic expenditure ..	3·55
Total cost of separation ..	0·07
Total Expansion ..	..

9.—REGISTRATION.

(1) ORISSA.

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Superintendence ..	0-33	(371)	0-33	(135)	0-36	0-02
District charges ..	5-90	1-00	5-89	0-99	6-13	1-03
Total ..	6-23	1-00	6-22	0-99	6-49	1-05

A.-*Basic figure.*

33. The average cost of the present establishment is 1-01 which however includes an average expenditure of 0-01 under ' Superintendence ' representing the pay and allowances of the Inspector of Registration. He will be provided for separately under ' cost of separation '. 1-00 (1-01- 0-01) may be taken as the basic figure of expenditure.

B.—*Cost of separation.*

34. The department in Bihar and Orissa consists of—

(I) 1 Inspector-General of Registration;

(II) 1 Personal Assistant;

(III) 2 Inspectors of Registration (one part-time);

(IV) 150 Sub-Registrars;

(V) 5 Probationers (generally).

The Inspector-General of Registration is also Commissioner of Excise and Salt and his pay is provided under ' 22-General Administration \ The overhead staff for Orissa to be provided for will thus fall under items (I), (II) and (III) above. We think that the post of the Inspector-General of Registration for the new province can be held by an officer who is also head of Excise, Land Records and Registration and Stamps (see note under ' General Administration '). He will, however, require a Personal Assistant.

35. It is also necessary to provide for the inspection of Registry offices. This branch of the department consists of 1-2/3 Inspectors for the whole province, *i.e.*, a second Inspector is engaged for about 8 months in a year. Orissa has 25 Registry Offices or about 1/6th of the total number of offices in the whole province. It is therefore clear that the Inspector of Registration of the new province will not be fully engaged on inspection throughout the year. This post may therefore be combined with that of Personal Assistant to the Inspector-General. The pay scale of a District Sub-Registrar is Rs. 225—25/2—300. Assuming that it will be possible, as we believe it will be, to appoint a senior Sub-Registrar as Personal Assistant and Inspector of Registration with a special pay of Rs. 50 per mensem, the extra cost of separation will be Rs. 4,200 per annum, or 0-04.

On the basis of the ministerial staff in the office of the present Inspector-General at Patna and the volume of work which comes to his office from Oris&a we estimate that the Personal Assistant will require three clerks and 3 peons. The cost of separation without taking into account the **share of the** pay **of the Inspector-General of Registration is thus 0-09** :

		Rs.
1 Personal Assistant and Inspector of Registration	..	4,200
1 Clerk	..	1,050
2 Clerks	..	1,320
3 Peons	..	504
Leave salary..	..	500
Allowances (travelling and other)	..	540
Contingencies	..	546
Total	..	8,660

***i.e.*, 0·09.** There is **no** scope for expansion of expenditure.

(2) VIZAGAPATAM.

A.—*Basic figure.*

36. As the Registration Act does not apply to Agency tracts, expenditure **is** *nil.* If, however, the proposals for the formation of certain new Sub-registry offices mature, an expenditure of 0-04 is estimated.

B. —*Cost of separation.*

37. The District Registrar at Berhampur can be appointed to supervise **the work of** the Sub-registry offices of the Jeypore Agency. The cost of separation will then be *nil.*

(3) GANJAM,

A. —*Basic figure.*

38. The expenditure directly referable to the part of Ganjam **District which will be added to** the new **province** was as **follows :—**

1927-28	..	0-53
1928-29	..	0-57
1929-30	..	0-55
Total	..	1-65

or an average of 0-55 which we adopt as basic expenditure. Both expansion and cost of separation are *nil.*

39. *Summary.*

(1) ORISSA.

Basic expenditure	1·00
Cost of separation	0·09
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure	*Nil*
Cost of separation	..
Expansion	0·04

(3) GANJAM.

Basic expenditure	0·55
Cost of separation	..
Expansion	..
Total basic expenditure ..	1·55
Total cost of separation ..	0·09
Total expansion ..	0·04

XIII.—IRRIGATION—WORKING EXPENSES.

(1) ORISSA.

Items.	1927·28.	1928·29.	1929·30.	Average.
Orissa Canals Project—				
Extensions and Improvements ..	0·12	0·07	0·04	0·08
Maintenance and repairs	4·29	5·05	2·57	3·97
Suspense	—0·06	—0·01	0·04	—0·01
Deduct—Recoveries on revenue account ..	0·04	0·01	..	0·01
Net expenditure ..	4·31	5·10	2·65	**4·03**

A.—*Basic figure.*

40. The average is 4·03 ; but this includes an average expenditure of 3·97 on account of maintenance and repairs which are exceptionally heavy in 1927·**1928** and 1928·29 due to floods. The actuals in 1930·31 was 2·09 and the Budget for 1931·32, 2·05. Further both the revised for 1931·32 as well as the current year's estimate are 1·60. In the circumstances, the average expenditure on account of ' Maintenance and Repairs ' may be put down at 1·80 thus reducing the average expenditure to 1·86 which may be accepted as basic expenditure.

In Bihar and Orissa, there are at present separate branches of the Public Works Department for Irrigation and Roads and Buildings. On the recommendations of the Flood Committee, two additional executive divisions **had** been created some years back in the Orissa Canals Circle which barely **pay** their working expenses and in view of the necessity for retrenchment, it i· proposed to cut down one division. In any case, it is not necessary to maintain two separate branches of Public Works Department and Orissa after separation, will probably find it necessary to amalgamate them. No provision is therefore made under this head on account of rateable establishment **and** tools and plant charges. The whole expenditure on Public Works charge of this nature is included under ' 41—Civil Works ' *q.v.*

B.—*Cost of separation.*

41. The only item in the cost of separation is on account of establishment and as the basic expenditure on the establishment is discussed in the note under ' 41-Civil Works \ the cost of separation is *nil* under this head.

There is no scope for expansion—

Basic expenditure	..	..	..	..	..	1·86
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..
				Total	..	1·86

42.

(2) VIZAGAPATAM.

Expenditure	..	..	..	..	..	*Nil.*
Cost of separation	..	..	..	..	..	*Nil.*
Expansion ..	..	..	..	..	..	*Nil.*

(3) GANJAM.

A.—*Basic figure.*

43. Working expenditure (excluding expenditure on Establishment and tools and plant charges which will be accounted for under '41—Civil Works') have been—

Items.	1927-28.	1928-29.	1929-30.	1930-31.	Average.
A.--Irrigation Works---Ruflhikulya system.	0-90	1-14	1-26	1-23	1-13
B.—Navigation, etc., Ganjam-Gopalpur Canal.	(292)	(290)	(264)	(120)	..
Total ..	0-90	**1-14**	1-25	1-23	1-13

The average of 1·13 may be taken. Both expansion and cost of separation are *nil.*

Summary.

44.

(1) ORISSA.

Basic expenditure	..	..	..	..	..	1·86
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

(2) VIZAGAPATAM.

Baaic expenditure	..	..	..	..	..	..
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

(3) GANJAM.

Basic expenditure	..	..	..	..	..	113.
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

Total basic expenditure	..	2.99
Total cost of separation	..	..
Total expansion	..	..

15.·IRRIGATI0N MISCELLANEOUS.

(1) ORISSA.

Items.	1927·28.	1928·29.	1929·30.	Average.
Orissa Coastal Canal·				
Works	0·18	0·02	0·03	**0·08**
Maintenance and repairs	**0·48**	0·07	0·07	0·21
Orissa Embankment—				
Works	0·18	0·03	0·08	0·10
Maintenance and repairs	2·10	2·38	0·63	1·70
Total ..	2·94	2·50	0·81	2·09

A.—*Basicfigure.*

45. The years 1927·28 and 1928·29 are not comparable with 1929·30; the two former were flood years. The normal expenditure, after the works, now in hand, recommended by the Floods Committee are completed will be about 0·91 which is taken as basic expenditure.

For reasons explained in the note under ' XIII—Irrigation Working expenses ' the basic expenditure of 0·91 does not include charges on account of Public Works rateable establishment and tools and plant charges which have been taken to · 41—Civil Works \

There will be no cost of separation or expansion.

46.

(2) VIZAGAPATAM.

Expenditure	..	..	..	..	..	*Nil.*
Cost of separation	..	..	..	..	.	*Nil.*
Expansion ..	..	..	..	..	..	*Nil.*

47.

(3) GANJAM.

Total works expenditure was in

1927·28	..	..	..	..	..	0·33
1928·29	.	.	.	.	.	0·34
1929·30	..	..	..	..	..	0·60
				Total	..	1·17

Average is 0·39 which may be accepted. Both expansion and cost of •eparation are *nil.*

Summary.

48.

(1) ORISSA.

Basic expenditure	**0·91**
Cost of separation	*Nil.*
Expansion	***Nil.***

(2) VIZAGAPATAM.

Basic expenditure	*Na.*
Cost of separation	*Nil*
Expansion	*Nil.*

(3) GANJAM.

Basic expenditure	0·39
Cost of separation	*Nil.*
Expansion	*Nil.*
Total basic expenditure ..	1·30
Total cost of separation ..	*Nil*
Total expansion	*Nil*

^.·CONSTRUCTION OF IRRIGATIOMWORKS FOR WHICH CAPITAL ACCOUNTS ARE KEPT.

(1) ORISSA.

A.—*Basicfigure.*

49. Capital expenditure on Irrigation works for which capital accounts are kept may be met either from revenue including the revenue surpluses of previous years or from borrowed funds. The capital expenditure as it is incurred is in the first instance debited to ' 55—·Irrigation Works for which capital accounts are kept' and at the end of the year, either the whole amount or such part of it as Government decide to meet from current revenue is transferred to the revenue head ' 16—Construction of Irrigation Works etc' In Orissa there is only one Irrigation Scheme—Orissa Canals Project·lfor which capital accounts are kept. The capital expenditure on this project during the last ten years has been as follows:—

Year.	Total capital expenditure.	**Met from revenues.**
1921·22	0·23	**0·23**
1922·23	**0·49**	**0·49**
1923·24	**0·31**	**0·31**
1924·25	**0·04**	**0·04**
1926·26	**··0·01**	**—0·01**

Year.						Total oapital expenditure.	Met from revenues.
1926-27	..	..	..	..	..	-0'04	—0-04
1927-28	..	..	..	..	..	—(268)	—<268)
1928-29	..	..	..	..	..	—0-02	—0-02
1929-30	..	..	..	..	..	0-01	0-01
1930-31	..	..	..	..	..	..	..
				Total	..	1-01	1·01

The average expenditure has thus been 0·10 and during all these years was provided from ordinary revenues. The actuals of the later years however indicate that in future the expenditure is likely to be much less than 0 • 10. **But** in the cae of capital expenditure, it is not always safe to rely too much on past actuals. For the purpose of fixing a normal expenditure, 0·05 may be adopted. This is too small a sum to borrow and following the precedent of the last ten years, it may be finally charged to revenue.

There is neither cost of separation nor much scope for expansion.

Basic expenditure .. .. 0·05

(2) VIZAGAPATAM.

50. Expenditure is *nil* as also expansion,

(3) GANJAM.

A.—*Basic figure.*

51. The only Irrigation, Navigation, Embankment and Drainage Projects **for** which capital accounts are maintained are the Rushikulya system and Ganjam Gopalpur channel.

The capital expenditure during the last ten years on these projects was as follows :—

						liuslii-kulya.	Gaiijam-Gopalpur.	Total.
1921-22	..	..	..	..	..	0-10	..	0-10
1922-23	..	..	..	..	..	0-06	..	0-06
1923-24	..	..	..	..	..	0-09	..	009
1924-25	..	..	..	..	..	0-29	..	0-29
1925-26	..	..	..	..	..	0-13	..	0·13
1926-27	..	..	..	..	..	0-11	..	0·11
1927-28	..	..	..	..	..	0-01	..	0-01
1928-29	..	..	..	..	..	0·13	..	0·13
1929-30	..	..	..	..	..	0-60	..	0-60
1930-31	..	..	..	..	..	1·22	..	1-22
				Total	..	2-74	..	2-74

The Average is only 0·27 which the new Government can finance from ordinary revenues. Cost of separation is *nil.* Expansion is *nil.*

Summary.

52.

(1) ORISSA.

Basic Expenditure	..	..	..	..	..	0·05
Cost of separation	..	..	..	..	..	—
Expansion	..	..	..	..	..	—

(2) VIZAGAPATAM.

Basic expenditure	..	..	..	..	..	..
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

(3) GANJAM.

Basic expenditure	..	..	..	..	..	0·27
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

Total basic expenditure	..	0·32
Total cost of separation	..	*Nil*
Total expansion	..	..

22.·GENERAL ADMINISTRATION.

(1) *Orissa.*

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Salaries, house-hold staff, etc., of the Governor.	3·34	..	3·28	..	3·36	..
Executive Council ..	1·45	..	1·52	..	1·46	..
Legislative Council ..	1«62	..	1·70	..	1·75	..
Elections	0·20	..	(292)	..	0·83	..
Civil Secretariat ..	7·10	..	7·70	..	7·85	..
Board of Revenue ..	1·34	..	1·30	..	1·27	..
Inspector-General of Stamps, Registration and Commissioner of Excise.	0·33	..	0·28	..	0·32	..
Local Fund Audit Establishment.	1·30	..	1·35	..	1·47	..
Commissioners of Divisions	4·02	0·72	4·09	0·74	3·95	0·72
District Administration—						
General Establishment ..	37·57	6·73	38·18	6·87	37·52	6·73
Treasury Establishment	1·38	0·22	1·49	0·31	1·55	0·28
Sub-divisional Establishment.	3·09	0·51	3·39	0·52	3·44	0·52
Other Establishments ..	2·72	0·50	2·69	0·49	2·46	0·49
Discretionary grants ..	1·52	0·39	V59	0·23	1·57	0·18

Itema.	1027·28. Whole Province.	1027·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·80. Whole Province.	1929·80. Orissa.
English Stores ..	..	..	..	..	..	..
Miscellaneous ..	Q·02	0·01	(100)	..	0·25	..
Ministers ..	1·17	..	1·14	..	1·16	..
Expenditure in England ..	3·75		3·80	..	3·93	..
Total	71·98	9·08	73·50	9·16	75·10	8·92

A.—*Basic figure,*

53. The provision for discretionary grants for the whole province has been reduced to 0·30 in 1931·32 instead of the usual provision of 1·60. The average expenditure of Orissa is 9·05. To the average must be added some portion of the expenditure in England, the cost of the Oriya Translator and his establishment. The average expenditure in England is 3·91 for the whole province, out of which about two-thirds (2·61) comes under the heads " Commissioners of Divisions " and " District Administration " which are the only heads with which we are now concerned. On the basis of the officers employed in Orissa, 1/7th of 2·61—say 0·37, should be taken to Orissa. The cost of the Oriya Translator is 0·06. Some officers stationed in Orissa also draw their leave salary outside the division when the leave is spent in India. It is estimated that the payments on this account amount annually to 0·22. The average expenditure on discretionary grants is 0·27 against a corresponding expenditure for the whole province of 1·56—say 1/6. In 1931·32, Government has reduced the provision to 0·30 for the whole province and on the basis of the proportionate expenditure on this account the share of Orissa would be only 0·05 which is too small for a province with a Governor of its own. A reasonable figure would be 0·12. As we have taken in the average of 9·11 a sum of 0·27, 0·15 should be deducted from the average as a saving in discretionary grants. The total basic figure is therefore :—

Average disbursements	9·05
Expenditure in England	0·37
Leave salary in India drawn outside Orissa	0·22
Oriya Translator	0·06
Less—Saving in discretionary grants	0·15
	9·66

B.—*Cost of separation.*

54. The cost of separation affecting the headquarters of Government fall under the following sub-heads :—

Heads of provinces.

Legislative bodies.

Secretariat and Headquarters Establishment

66. *Heads of Provinces.*—On the analogy of other provinces and taking ii·to consideration the probable nature af the new constitution of the provinces, we may assume that the future Government will consist of a Governor (who will not have a port-folio) and two Ministers. We may also assume—as in the case of Assam—a Private Secretary and an A.-D.-C. of the rank respectively of Major and Lieutenant with the usual allowances. On the above assumptions, the cost may be calculated as follows:—

Salary of Governor (I. C. S. Rs. 5,600)	0·66
Sumptuary allowance	0·06
Staff and household	0·55
Contract allowances	0·10
Tour expenses	0·20
Expenditure in England	0·01
Ministers (at Rs. 3,500 eachpfo*s staff* Rs. 6,000 and travelling allowance Rs. 6,000)'.	0·96
	2·54

56. The number of Secretaries Orissa will require will depend largely on whether a Revenue Commissioner is retained. The absence of such an officer would mean that in important departments likejLand Bevenuejand Excise, together with the questions of general administration linked with them, there would be no intermediary between the district officer and Government. In many provinces, there are two such intermediaries, the Commissioner and the Board of Eevenue and there is no province which has neither the one nor the other. We feel therefore that there would be serious administrative objections on the one hand to Government being deprived of the assistance of an expert in these matters and on the other to district officers being left without the advice and support of a senior touring officer. We assume therefore that the Revenue Commissioner will be retained. We think, however, that this officer can not only exercise all the functions of the Board of Revenue, but that he can also discharge the duties of Director of Land Records, Commissioner of Excise, Inspector-General of Registration, and be the head of the Forest Department. He can also be the Secretary to Government for all the departments which he controls. In the Registration, Land Records and Surveys and Excise departments he will have Personal Assistants. The work of the Commissicfaer is at present very light, and we are satisfied after careful enquiry, that even if Angul, as seems probable, is placed under him, and he exercises in respect of that district the functions of a High Court, the duties which we propose to assign to him will not unduly tax his energies.

67. *Secretaries to Government.*—Apart from the Revenue Commissioner, at least two other I. C. S. Secretaries will be required. Assam has, exlcuding the Secretary who is Legal Remembrancer and in charge of the Legislative Department, 3 Secretaries, and for Sind, the Sind Financial Enquiry Committee have proposed 3 Secretaries in addition to a Revenue Commissioner. These two Secretaries will be responsible for all departments except those

assigned to the Revenue Commissioner, and the Legislative Department and LegfektivejCouncil for which and for the work of the Legal Remembrancer a special officer with legal training will be needed. The average emoluments of a Secretary may be taken as basic pay Rs. 2,000, 0. S. P. £30 *plus* Rs. 250 special pay—or altogether Rs. 2,650 each and of a Revenue Commissioner as Rs. 3,200 and the Secretary, Legislative Council, Rs. 1,500.

58. *Under Secretaries,*—There should be at least one I. C. S. Under Secretary, so as to give junior officers Secretariat experience. For the other Secretary there can be an Assistant Secretary or an officer of the Provincial Executive Service and one common Registrar for the whole Secretariat.

59. *Other Departments.*—For the post of Registrar, Co-operative Societies, which as proposed will be combined with those of Director of Agriculture, Director of Veterinary, and^Director of Industries, it would be very desirable to have an Indian Civil Service officer; he will have experts in these" departments to assist him and hence need not himself be an expert but his admnuatrative experience will enable him to co-ordinate the work of all the development departments. An allowance similar to that of the present Registrar might be attached to the post (Rs. 150).

60. *District Officers.*—There will be 7 District Officers' posts. It will not be necessary to have a post of Settlement Officer on the cadre as the settlement has recently been completed.

61. The cost of the Secretariat Establishment will be :—

For two Secretaries (I. C. S).	Rs.	For Legislative Council Secretary.	Rs.
14 Upper Division Clerks ..	34,200	1 Superintendent	3,600
28 Lower Division Clerks ..	28,(580	2 Upper Division Clerks ..	6,000
2 Stenographers	3,600	4 Lower Division Clerks ..	4,320
10 Typists	8,040	1 Stenographer and special pay ..	4,800
4 Record Suppliers	1,080	2 Typists	1,608
12 Duftary and peons	2,118	6 Record Suppliers and peons ..	1,110
Contingencies and allowances ..	6,282	Contingencies and allowances ..	3,562
Total ..	84,000	Total ..	25,000

1,09,000

There would also be a common record room and Accounts Branch for the whole Secretariat. The cost of the two branches at Patna is about 0·20. For Orissa it may be taken at one-fourth of that sum, *i.e.*, 0·05.

62. The total cost of the Secretariat Establishment will thus be :—

Pay of Establishment	1·04
Allowances	0·06
Contingencies	0·04
Total ..	1·U

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63. **The** additional cost of the Secretariat (excluding **P.** W. **Secretariat Blanch)** will then be as follows :—

Revenue Commissioner	**0·38**
Fixed Travelling Allowance	**0·03**
2 **Secretaries (I. C. S.)**	**0·64**
1 Secretary (Legislative Department)	**0·18**
1 Development Commissioner	**0·29**
1 Under Secretary (I. C. S.)	**0·12**
1 Assistant Secretary	**0·08**
1 Registrar	**0·06**
Establishment charges	**1·14**
Total Secretariat and Headquarters Establishment ..	**2·92**

64. *Total superior posts and total strength of the Indian Civil Service.*—Even if the superior judicial posts are included in the cadre of Bihar or some other province, Orissa will have to pay for these posts and the consequent leave reserve. For the purpose of calculating the cost of the I. C. S. employed in the province, these posts must also be taken into account. The total number of superior posts will be 13 as follows :—

Superior posts in Orissa.

1 Eevenue Commissioner.

2 Secretaries (Superior time·scale).

1 Head of Development Department.

7 District Officers. } Superior time·scale.

2 District and Sessions Judges.

The total cadre will be as follows :—

(1) Total number of superior posts	**13**
(2) ***Add*** **superior posts under the Government of India** ..	**1**
(3) ***Deduct*** **listed posts and posts ultimately to be listed** . .	**2**
(4) Total number of superior posts for direct recruitment ..	**12**
(5) ***Add*** **7 per cent, for temporary appointment and deputation**	**1**
(6) Total	**13**
(7) ***Add*** **inferior posts at 38 • 70 per cent, of (4)**	**4**
(8) Total number of appointments both superior and inferior ..	**17**
(9) Total strength, of the cadre, ***viz.,*** **202• 79 for each 100 of (4)** ·.	**24·33 or 25**

65. *Passage concession.*—Assuming that of the 25 officers, 20 would be **on** active service, and 12 of them eligible for passage concession, a sum of Rs. **7,200 (i.e.,** Rs. 50 per mensem for each officer) should be added under cost **of separation.**

66. *Legislative Council,*—It is not possible for us to foresee the strength of the Legislative Council under the new constitution. But as far as present practice can be any guide, a Council of 60 would seem to be adequate. The estimate for such a council is :—

President and Deputy President	0·26
Staff	0·08
Allowances and contingencies	0·48
Election expenses	0·20
Total ..	1·02

67. *Orissa Executive Cadre.—Special Departments.*—(a) The Bihar and Orissa cadre contains two posts of Under Secretaries to be held by junior civilians or Deputy Collectors. We have proposed above that there should be one civilian Under Secretary. The other post can be held by an Assistant Secretary who could suitably be a member of the Executive Service. One post may be provided in the Executive Service.

(b) The Eevenue Commissioner should have a Personal Assistant as at present.

(c) Settlement.—The existing provision in the Bihar and Orissa cadre is for 24 Deputy Collectors and 54 Sub-Deputy Collectors but with the reduction of the settlement programme this is excessive and will probably shortly be reduced or absorbed. The settlement operations in Orissa have just finished and according to the programme, after December 1932 no officers will be needed for this work. It will be convenient, however, to make some provision in the cadre either under this head or under the head " Deputation Reserves " for Orissa will no longer be able to draw on the joint cadre. We would allow, therefore, one Deputy Collector and one Sub-Deputy Collector.

(d) Irrigation.—One Deputy Collector is employed on the Orissa Canals and should be retained.

(e) Partition.—The Bihar and Orissa cadre contains provision for two Deputy Collectors and four Sub-Deputy Collectors for this work. There is practically no partition work in Orissa and no special officers are ever employed. No provision need therefore be made under this head.

(/) *Co-operative Department.—The* question of the future staff of the Co-operative Department is under consideration and much depends on the report of the Committee now sitting, as they may recommend the employment of Sub-Deputy Collectors instead of Deputy Collectors. The cadre contains provision for 11 posts of Deputy Collectors for this work. It is estimated that one Deputy Registrar and three Assistant Registrars will be needed. Hence four posts may be included in the Orissa Executive Service for this Department.

(g) Deputation Reserve.—Hhe present cadre contains the following posts as deputation reserve for miscellaneous posts for which there are no definitely sanctioned and localised appointments:—

				Deputy Collectors.	Sub-Deputy Collectors.
(i) Wards Estate	..	..	..	1	4
(ii) Cess Revaluation	..	..	..	2	1
(iii) Private Estates	..	..	..	1	..
(iv) Feudatory States	..	..	.	4	2
(v) Land Acquisition	..	..	..	2	1
(vi) Miscellaneous	.	.	..	5	6

The deputation reserve is not employed only on the posts mentioned but in other posts as the need arises, *e.g.*, such posts as those of Inspector of local bodies are met from this reserve.

(i) Wards Estate.—One Sub-Deputy Collector is employed on wards work in Balasore and this post should be provided in the Orissa cadre.

(ii) Cess revaluation.—Here again though few officers are often employed on this work (at present one Sub-Deputy Collector is so employed) there may be difficulty if the cadre is cut too fine. One Deputy Collector is suggested.

(Hi) Private Estates.—"No provision need be made.

(iv) Feudatory States.—At present three Deputy Magistrates and one Sub-Deputy Collector are employed. It is very difficult to forecast what will happen in future and whether these officers should be borne on the Orissa or Bihar cadre. They may be left out of account at present for though provision may have been made on some cadre, yet the cost is actually borne by the States as the officers are on foreign service and for our purpose it is only necessary to calculate the. cost of the proposed new province.

(v) Land acquisition.—One post of Deputy Collector may be needed and should be provided.

(vi) Miscelianeous.—With a small cadre it may be difficult to provide officers for miscellaneous duties, such as inspection of local bodies, census, election work, etc. Three officers in the Executive and one in the Subordinate Service for miscellaneous duties should therefore be included.

(vii) There should be a leave reserve of 14 per cent, of both cadres.

68. The total strength of the two cadres will thug be as follows:—*

		Orissa Executive Service.	Subordinate Servio.
General Administration,			
Headquarters	.. ..	22	3
Sub-division	.. ..	7	S
Special Departments.			
Under Secretaries	.. ..		*
Personal Assistant	.. ..	1	..
Settlement	.. ..	1	1
Irrigation	.. ..	1	..
Co-operative	.. ..	4	..
Cess Bevaluation	.. ..	1	..
Land acquisition	.. ..	1	..
Miscellaneous	.. ..		1
Total posts held by Deputy Collectors or Junior Civilians.		43	13
Deduct—I. C. S. inferior posts	.. ..	4	..
Total posts in Provincial Service	.. ..	39	13
Add—Leave reserve at 14 per cent.	.. ..	6	2
Total	..	45	15

The cadre of the Subordinate Service is very small and an increase may be found necessary after a short time. 40 Deputy Collectors and 13 Subordinate Service officers are either in actual employment in Orissa or have been provided elsewhere. The cost of the remaining 5 Deputy Collectors and 2 Subordinate Service officers will come to Rs. 35,000.

69. *Local Audit Department.*—The audit of the affairs of local bodies iix Orissa is at present conducted by two auditors and one assistant. Orissa's share of the total cost of the present local audit department therefore amounts to 0-16. To this must be added • 04 ou account of a proportionate share of the pay, leave and pension of the examiner of Local Fund Accounts. If a main audit office were established in Orissa after separation the cost to Orissa would not appreciably differ since a whole-time examiner of Local Fund Accounts would not be required. The cost of separation on this account may therefore be taken at 0-20.

70. The total cost of separation under " 22-General Administration " will thus be:—

Head of Province	.. ..	2·54
Secretariat and headquarters establishment	.. .. ..	2·92
Passage concessions	.. ..	0·07
Legislative Council	.. ..	1·02
Local Audit	.. ..	0·20
Orissa Executive cadre	.. ..	0·35
Total cost of separation	..	7·10

71· *Capital expenditure.*—The headquarters will require additional accommodation and an estimate of capital expenditure is given below:—

Government	9·00
(There is a small Government House at Pari which might be used for a year or two; but a permanent residence is clearly needed at Cuttaok.)	
Secretarial Council Chamber	11·00
Houses for Heads of Departments—	
(a) Development Commissioner	0·65
(b) Inspector General of Prisons, etc.	0·55
(c) Secretaries and Under and Assistant Secretaries	2-30
(d) General Lay-out	1-50
(e) Water supply and drainage, oto.	1·10
(f) Furniture	2-00
	28-00

This will be charged to capital and discharged in 30 annual equated instalments at 6 per cent, which will necessitate an addition of 2-03 under the heads of " 19-Interest "and " 21-Eeduction of debt ". Expansion is nil.

(2) VIZAGAPATAM.

A.—*Basic figure.*

72. The Jeypore Agency is under the Collector of Vizagapatam as Agent to the Governor. He employs a staff of 8 clerks and typists and 2 peons for dealing with Agency matters ; other sections of the Collector's office also may deal with the Agency area but are not exclusively employed thereon. There are two Special Assistant Agents, one at Parvatipur and another at Koraput. There are also 9 taluks each under a Tahsildar· The expenditure directly referable to the Agency area is as follows :—

	Sub-divisional establishment.	Taluk establishment.	Total.
1928-29	0-43	1·61	2-04
1929-30	0-45	1-63	2-08
1930-31	0>60	1·84	2·34
	1-38	5-08	6·46

The average is 2 • 15 which may be taken as the basic expenditure.

B.—*Cost of separation.*

73. We consider that the establishment of a Collectorate is essential for the efficient administration of the Vizagapatam Agency tract which it is proposed to transfer to Orissa. It will not be possible for the Collector of Ganjam to manage the Agency area in addition to his own district

As mentioned above, there are at present two special Assistant Agents in the district—one at Koraput and the other at Parvatipuram. Their cost is shown under the heads 'Taluka and Sub-divisional establishments and amounts on an average to 0·46. On separation; it will be necessary to have a Collector at Koraput together with buildings for a Collectorate and a Treasury ; and also a Special Assistant Agent at Rayagada. We roughly estimate the cost of the Collector (an I. C. S. officer of about 13 or 14 years' standing) and his staff to be 0«50 and the cost of the Assistant Agent at Rayagada at 0·25. The extra cost will therefore amount to 0-29.

There will·further be the following capital expenditure :

3-00 for constructing the CoUectorate and Treasury buildings ; 0·45 for housing CoUectorate clerks at Koraput; •12 for housing clerks at Rayagada **and** •30 on account of the house for the Special Assistant at Rayagada. **Total** capital expenditure is 3·87 with a recurring charge of -04 for maintenance and repairs. This charge will be taken into account under 41-Civil Works and the payment of equated instalments to pay off a loan of the amount and **capital** expenditure involved under · Interest and Reduction of Debt'.

74. The cost of separation under this head may therefore be taken at 0·29. Expansion is *nil.*

(3) GANJAM.

A.—*Basic figure.*

75. Expenditure directly referable to the area concerned has been:—

	1927-28.	1928-29.	1929-30·
Collector's Establishment ..	0-67	0·66	0-78
Treasury Establishment ..	0·31	0·34	0·32
Sub-divisional Establishment	0·80	0-80	0·80
Taluk Establishment ..	2·42	2·76	2·44
Total ..	4-20	4·66	4·34

The average is 4·35. As however certain portions of the present Ganjam district will still remain with Madras the •Collectors and Treasury Establishment can probably be reduced somewhat; and we may deduct 0·10. Basic expenditure may therefore be taken as 4·26 :—

Expansion	*Nil*
Cost of separation	*Nil.*

Summary.

76.

(1) ORISSA.

Basic expenditure	**9-55**
Cost of **separation**	**7-10**
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure	**2·16**
Cost of separation	**0-29**
Expansion	..

(3) GANJAM.

Basic expenditure	4·26
Cost of separation	..
Expansion	..
Total basic expenditure ..	16·96
Total cost of separation ..	7·39
Total expansion ..	..

24.—ADMINISTRATION OF JUSTICE.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
High Court	8·09	..	8·86	..	9·39	..
Law Officers.						
Legal Remembrancer	1·11	..	1·28	..	1·16	..
Mofussil Establishment ..	2·28	0·14	2·61	0·17	1·96	0·16
Law Reporters	0·09	..	0·09	..	0·09	..
Civil and Sessions Courts ..	21·39	2·31	21·92	2·33	21·00	2·08
Process Serving Establishment ..	3·27	0·36	3·32	0·35	3·24	0·38
Criminal Courts (including Chaukidari Panohayats).	2·18	0·31	2·28	0·33	2·47	0·31
Pleadership Examination charges	0·08	..	0·04	..	0·08	..
Expenditure in England ..	2·22	..	1·47	..	1·76	..
Total ..	40·71	3·12	41·87	3·18	41·15	2·93

A.—*Basicfigure.*

77. The average of Orissa expenditure is 3·08. The expenditure in England averages 1·82 representing leave and deputation salaries and sterling Overseas pay. On the basis of the non·voted number of judicial officers generally employed in Orissa and the total number of such officers in the whole province, Orissa (including the Madras areas) should be debited with one·eleventh of 1·82, *i.e.,* 0·16.

At present, the judicial work of Orissa is done by the District Judge of Cuttack who is also the District Judge of Balasore and Puri and by the District Judge of Manbhum who is also in charge of Sambalpur and Singhbhum. There is thus only work at present for 1·1/3 District Judges. Allowing for some additional work from Ganjam, it will be necessary to employ two Judges. The figures for Orissa above, however, include the cost of only one District Judge. But it is not at this stage necessary to make any addition to the expenditure for the charges on account of a second Judge as he will be provided for under Ganjam where there is already a District Judge.

In Angul, the Deputy Commissioner exercises Sessions powers under the Angul Regulations, while the Political Agent and Commissioner exercises the powers of a High Court. If Angul is removed from the control of the Political Agent, the powers of the High Court will be exercised by the Divisional Revenue Commissioner of Orissa.

The basic expenditure is, therefore, put at 3·24.

B.—*Cost of separation.*

78. *High Court*—The returns of cases heard by the High Court show that very little work comes from Orissa. Taking the figures for the last five years, the yearly average number of civil cases is only 227 and of criminal cases is only 139. The total number of cases per annum from Orissa is thus only 366 as against 4,475 from Bihar. Thus of the work done by the present High Court 92»3 per cent, comes from Bihar and only 7-7 from Orissa.

There is thus no case whatever for a separate High Court or even for a Judicial Commissioner and as at present Orissa cases will presumably continue to be heard by Judges of the Patna High Court going to Orissa on circuit. It would of course be possible to place Orissa under the Madras or Calcutta High Court, but the expenditure would not thereby be reduced, and the present arrangement seems more likely to be adopted. The total cost of the Patna High Court is as follows:—

1929-30	9·39
1930-31 (revised)	9-66
1931-32 (Budget)	9-07

In addition, some portion of the expenditure in England is debitable to the High Court; but it is not possible to ascertain the exact amount. Also there are certain items in the Administration of Justice budget which may be amalgamated with the cost of the High Court.

These are—

(a) Law Reporter—

	Rs.
Accounts, 1929-30	0-09
Revised estimate, 1930-31	0-06
Budget estimate, 1931-32	0·08

(6) Pleadership examination charges—

Accounts, 1929-30	0·08
Revised estimate, 1930-31	0·08
Budget estimate, 1931-92	0·08

The total cost of the High Court may, therefore, be taken at 10·00 including expenditure in England and Law Reporter charges. The cost of the High Court, as for as Orissa is concerned, may be taken roughly at 7'7 per cent; or 8 per cent, for the whole province of Orissa (including the territories transferred from the Central Provinces and Madras).

79. *Judicial cadre.*—The total judicial cadre of the Indian Civil Servioe of the proposed province will consist of two or at most three officers. It is impossible to work so small a cadre and there seems no alternative but to follow the example of Assam which has a judicial cadre jointly with Bengal and to have a joint cadre with Bihar. Assam also appears to have only three judicial posts.

Sub-Judges and Munsifs.—The judicial cadre of the province consists of 29 Sub-Judges and 92 Munsifs. The system of recruiting Munsifs direct from the bar without any training was given up some years ago in favour of the system of direct recruitment of probationers, who are in theory at least on probation for two years and receive training in judicial and magisterial work and what is more important in survey and settlement work. Owing, however, to the heavy accumulation of work and under-recruitment in recent years it has been found necessary to reduce the period of training in some cases. Of the Subordinate Judges, two are employed in Orissa—one at Cuttack and another at Sambalpur. There is also a post of Additional Sub-Judge which, though not definitely allocated to Cuttack, has been allotted to that district for some time past. It may be estimated, therefore, that three Sub-Judges will be needed.

The permanent posts of Munsifs allotted to Orissa are as follows:—

Cuttack	3
Kendrapara	1
Jaipur	1
Balasore	1
Bhadrak	1
Puri	2
Sambalpur	1
Bargarh	1

Of the Munsifs allocated to Cuttack, one is *ex-officio* Assistant Registrar for the Circuit Court and this appointment will have to be retained whatever arrangement is made for the High Court work in the new province. An Additional Munsif is also usually employed at Cuttack. So the permanent staff required for the new province may be taken at 12 Munsifs.

The cadre also contains a reserve to provide for leave vacancies and for deputations, *e.g.*, to settlement; even though there may not be any settlement in Orissa for a number of years, it would be desirable to have a leave reserve of two, giving a total cadre of—

Sub-Judges..	3
Munsifs	12
Leave reserve	2

There would also have to be at least two probationers. If, however, the province decided to go back to the system of direct recruitment from the bar, there would be no need to have the leave reserves and the probationers. Direct recruitment might be slightly cheaper, though possibly less efficient, but it might avoid some of the difficulties which would arise from a small cadre. But whatever be the system ultimately adopted by the new province, there will be no cost of separation on this account to the new province. The expenditure directly referable to Orissa already includes the cost of three Subordinate Judges and 12 Munsifs. It also includes the leave salary of the whole staff and accordingly the cost of the two leave reserve posts need not be shown under this head.

80. A separate Government will, however, need the services of a Government Advocate. But the number of cases in Orissa in which he will have to appear is so small that a full-time officer is not needed. There are already ordinary Government pleaders and Public Prosecutors in the mofussil and if a big case is heard at Patna, a senior Pleader or a Barrister practising there can be employed as occasion arises to represent the Crown. The Cuttack Government Pleader can be similarly employed in cases coming before the Circuit Court. The extra cost of these arrangements may be put at 0·10.

81. The total extra cost may now be calculated as follows :—

The new Government's share of the High Court being 8 per cent, of 10-00	0-80
Judicial cadre	..
Law Officers of the new Government .. ..,	0·10
Total ..	0-90

82. There is no scope for expansion.

(2) VIZAGAPATAM.

A.—*Basic figure.*

83. The expenditure has been :—

1927-28	0-12
1928-29	0-14
1929-30	0-18
1930-31	0·17
Total	0-61

The average is 0·15. It represents the expenditure of the Stationary Magistrates, one at Jeypore and the other at Gunupur. The Agent to the Governor exercises the powers of a District and Sessions Judge over the Agency area and is assisted by an Agency Sub-Judge with headquarters at Vizagapatam. The expenditure of the court of the latter being on an average, 0·19, the basic expenditure comes to 0·34. Expansion and cost of separation are *nil.*

(3) GANJAM.

A.—*Basic figure.*

84. There is a District Judge at Berhampur and three Stationary T\fagis-trates posted to Russelkonda, Berhampur and Parlakimedi. The expenditure of past years was as follows:—

	1927-28,	1928-29.	1929-30.
Law Officers	0-09	0-09	0·08
District and Sessions Judge and Munaifs Courts ..	1·14	1·21	1·22
Stationary Magistrates	0·15	0-15	0-16
Total ..	1-38	1-46	1-46

The average **of 1** • 43 is taken as basic. There is no scope **for expansion and cost** of separation is *nil.*

Summary.

86.

(1) OBISSA.

Basic expenditure	3-24
Cost of separation	0-90
Expansion	..

(2) VIZAGAPATAM

Basic expenditure	0-34
Cost of separation	..
Expansion	..

(3) GANJAM.

Basic expenditure	1-43
Cost of separation	..
Expansion	..

Total basic expenditure ..	5·01
Total cost of separation ..	0-90
Total expansion ..	..

25,—JAILS AND CONVICT SETTLEMENTS.

(1) ORISSA.

Items.	1927·28. Whole Pro· vinoe.	1927·28. Orissa.	1928·29. Whole Pro· vince.	1928·29. Orissa.	1929·30. Whole Pro· vinoe.	1929·30. Orissa.
Superintendence (Supervision charges appearing in Bihar)	0·69	..	0·68	..	0·68	..
Jails—Establishment ..	5·21	0·70	5·17	0·69	5·26	0 69
Jails—Dietary charges ..	5·09	0·33	5·10	0·27	4·37	0·23
Jails—Hospital charges ..	0·36	0·04	036	0·04	0·36	0·04
Jails—Clothing and Bedding of prisoners ..	0·75	0·05	0·77	005	0·65	0·04
Allowances	0·20	0·06	0·22	0·06	0·20	0·07
Sanitation charges ..	0·28	0·02	0·27	001	0·22	002
Charges for moving prisoners	0·41	0·05	0·40	0·05	0·41	0·05
Contingencies	0·98	013	0·94	0·09	1·01	0·11
Live stock and plant ..	0·12	0·01	0·11	0·01	0·09	0·01
Charges for police custody	015	0·01	0·15	001	0·12	0·01
Jail manufactures ..	4·43	0·17	5·76	0·20	5·62	006
English stores	0·22	..	0·26	..	0·18	..
Expenditure in England..	0·13	..	0·43	..	0·17	..
Total ..	19·02	1·57	20·62	1·48	19·34	1·43

A.—*Basic figure.*

86. The increase in expenditure in 1928·29 is due to a change in **the** classification of the accounts. Formerly, the jail manufactured articles consumed in the jails themselves were adjusted on the books of the Accountant General by reduction of expenditure instead of taking credit on the receipts **side.** This accounting system was changed in 1928·29. The **somewhat smaller** expenditure in 1929·30, as compared with the 1928·29 figures **was due** to the fall in the prices of food·grains. Consequently there was a **reduction of 0·70** in dietary charges alone in 1929·30.

87. **The** average of expenditure in Orissa is 1·46 which may be accepted **as basic expenditure. No part of** English **expenditure** is **debatable to Orissa.**

B.—*Cost of separation.*

88. The supervising Gazetted staff in the whole province consists of—

1 Inspector General of Prisons.

4 Whole·time Superintendents in charge of Central Jails (none of which are in Orissa.)

12 part-time Superintendents in charge of district jails in collateral charge,

1 Deputy Superintendent at Bhagalpur.

Orissa has no central jail; but there are three district jails under District Medical Officers in collateral charge and 13 sub-jails under local Assistant Surgeons or Sub-divisional officers. In other provinces, *e.g.,* Assam, the posts of Inspector General of Prisons and Civil Hospitals are combined; and it is clear that in Orissa both posts should be held by one officer who will also be the Director of Public Health. The cost of the Inspector General of Prisons has been provided for under ' 32-Medical '.

89. The total capacity of the Orissa jails including sub-jails is 1,136, The normal average prison population of Orissa, excluding the number of Orissa prisoners confined in Bihar jails, is 470. Some Orissa prisoners are also transferred to other jails in Bihar and Chota Nagpur, namely-

Class of prisoners.	Place of confinement.
(a) Prisoners with more than four years' sentence—if casuals	Bhagalpur.
(b) Prisoners with more than six months' sentence—if habituals	Buxar.
(c) Juvenile prisoners	Monghyr.
(d) Educated prisoners	Gaya.
(e) Divisions I and II prisoners	Hazaribagh.

The number of Orissa prisoners in the above jails is on an average 180 and the net cost per head per annum of the Oriya prisoners is Ks. 159 or altogether 0·29 per annum. The cost of separation is, therefore, 0·29.

C.—*Expansion.*

90. The cost of constructing a Central Jail at Cuttack would be 10·00 and the recurring charges would be 1·21 and would certainly exceed the ooet of maintaining the present district jail and of a contribution of 0·29 to Bihar. We assume, therefore, that a central jail will not be established, and the cost of expansion is, therefore, *nil.*

(2) VIZAGAPATAM.

A.—*Basic figure.*

91. The Koraput Jail was only a sub-jail before 1927 in which year it was raised to the status of a District Jail for administrative reasons. The prisoners of the Agency tracts cannot stand the climate of plains ; they have to travel a long distance on foot whether they are transferred to the prisons at Waltair or Rajahmundry and this involves, too, additional expenditure. For these reasons, the Koraput Sub-jail was converted into a district jail in 1927. But since September 1931, it has again been reduced to the status of sub-jail. As a result only prisoners sentenced to one year or less are now confined there. There used to be generally about 50 prisoners undergoing sentences of more than one year. The capacity of the prison is for 360 prisoners including temporary accommodation for 150. After separation,

there will also be some difficulty in transferring any large number of prisoners to qther neighbouring jails; it may, therefore, be found convenient to restore it to the status of a district jail. The expenditure of the Koraput jail and of other sub-jails was as follows :—

Year.	Koraput jail.	Other sub-jails.
1927-28 ..	..	**0·10**
1928-29 ..	0-48	0-09
1929-30 ..	0«48	**0·09**
Total ..	0-96	0-28
Average ..	0-48	0-09

92. The average expenditure is 0·57 which may be accepted. (The actual expenditure in 1927-28 of Koraput jail was 0·32 which has not been taken into account as it became a district jail only in that year). Expansion is *nil.*

B.—*Cost of separation.*

93. When the Koraput jail was a district jail, prisoners up to five years used to be kept there. If it is again made a district jail, there will be very few prisoners to be transferred to other jails. The cost of separation is, therefore, *nil.*

(3) GANJAM,

	1927-28.	1928-29.	1929-30.
Jail expenditure ..	0-43	0-46	0-46
Jail manufactures ..	003	0-04	0-03
Total ..	0-46	0-60	**049**

A.—*Basic figure.*

94. The average is 0·48 which is taken as basic expenditure. There is not much scope for expansion and the cost of separation is *nil.*

Summary.

95.

(1) ORISSA.

Basic expenditure ..	1 **-46**
Cost of separation..	**0-29**
Expansion ..	..

(2) VIZAGAPATAM.

Basic expenditure	..	..	..	..	..	..	0·57
Cost of separation	..	..	..	..			
Expansion ..	..	..	..	.			

(3) GANJAM.

Basic expenditure	..	..	..	..	..	..	0·48
Cost of separation	..	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..	..

Total basic expenditure	..	2·51
Total cost of separation	..	0·29
Total expansion	..	..

26.—POLICE.

(1) ORISSA.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissa.
Superintendence	2·69	0·36	2·58	0·39	2·77	0·38
Distriot Executive Force ..	65·86	10·83	66·91	10·98	67·19	10'78
Village Police	0·40	0·39	0·41	0·40	0·42	0·41
Police Training Schools ..	1·19	..	1·39	..	1·29	..
Special Police	2·56	..	2·82	..	2·66	..
Railway Police	4·34	..	4·12	..	4·30	..
Criminal Investigation Department	3·21	..	3·33	..	3·28	..
Works	0·39	0·08	0·44	0·12	0·40	0·08
Miscellaneous	(279)	..	002	..	003	..
Stores	001	..	001	..	001	..
Expenditure in England ..	2·06	..	2·60	..	2·23	..
Total ..	82·71	11·66	84·63	11·89	84·58	11·65

A.—*Basic figure.*

96. The average of Orissa expenditure is 11·73 including 0·38 on account of 'Superintendence'—representing the cost of the office establishment of the Deputy Inspector General of Police, Orissa Division. The average English expenditure is 2·31. On the basis of the number of non-voted officers usually employed in Orissa and in the whole province, one-seventh of this or 0·33 should be debited to Orissa. The total average expenditure, therefore, comes to 12'06 which may be accepted as the basic expenditure.

B.—*Cost of separation.*

97. After separation, Orissa will have to incur additional expenditure on the following items:—

(a) Inspector General of Police and Establishment.

(6) Criminal Investigation Department.

(c) Railway Police.

(d) Police Training.

(e) Additional cost of a Police cadre.

These are the services which Orissa now gets as part of the Bihar and Orissa province.

98. *Inspector General of Police.*—The highest officer in Orissa now is the Deputy Inspector General. After separation, the new province (including the Madras areas) will not require a Deputy Inspector General in addition to the Inspector General. The following statement gives the net extra cost of the Inspector General and his staff :—

Inspector General of Police	0·32
Establishment	0·20
Incidental charges	0·03
	0-55
Deduct—present cost of Deputy Inspector General and his staff..	0·38
	0-17

The Inspector General of Police will also require a Personal Assistant but this will not impose additional liabilities on the province as the appointment can be amalgamated with that of the Superintendent, Criminal Investigation Department.

99. *Criminal Investigation Department*—With the minimum staff necessary for the Criminal Investigation Department in the new province, the cost will be 0-52.

100. *Railway Police.*—The present arrangement is that the Bengal Nagpur Railway Police in Bengal and Bihar and Orissa is under the administrative control of the Bihar and Orissa Government, the Bengal Government sharing the expenditure with the Bihar and Orissa Government. Apart from the administrative advantage of keeping the police under one and the same authority, the Orissa Railway Police charge would be too small for a separate Superintendent of Police. Orissa may, therefore, agree to leave its Railway Police under the Bihar Government as Bengal does. It is estimated that Orissa will then have to pay to Bihar 0-40 as its share of Railway Police expenditure and 0- 5 as pensionary charges or a total of 0·45.

101. *Police Training.*—On an average, Orissa (including the Madras areas) could annually absorb 12 Superior Officers and Sub-Inspectors and 84 constables. The Police officers of Assam are trained at the Sarda Training

College in Bengal A similar arrangement would be suitable for Orissa, both its superior officers and Sub-Inspectors being trained at the Bihar Training College at Hazaribagh and its constables at the school at Nathnagar. Orissa will then have to pay to Bihar a contribution of 0-15 per annum.

102. *Police cadre—The* superior staff required for Orissa is—

Inspector General	1
Superintendent of Police, Criminal Investigation Department ..	1
District Superintendents of Police in Orissa	5
District Superintendents of Police in Ganjam and Vizagapatam..	2
Total ..	9

None of the districts except Cuttack really need inferior charges. Eight posts of Assistant or Deputy Superintendents will probably be needed to feed the superior cadre of nine superior posts (3·6 for inferior charges, 3·6 for leave reserve and one for training). If one of the posts were made a listed post, one of the eight inferior posts would be filled by a Deputy Superintendent. Accordingly the Indian Police cadre would consist of 15 officers. But the most convenient arrangement would be to combine the cadre with that of Bihar and pay for leave and passage contribution. If this were done, it would suffice to post to the new province one Assistant and two Deputy Superintendents. Additional provision is not, however, necessary for leave contribution as our basic figures and the cost of separation contain provision for leave salary ; but Orissa will have to pay for passage contribution at Es. 50 per mensem for ten officers or 0·06 per annum.

103. The cost of separation is therefore—

(a) Inspector General of Police	0·17
(b) Criminal Investigation Department	0-52
(c) Railway Police	0-45
(d) Training	0·15
(e) Passage concession	0-06
Total ..	1-35

104. Expansionism/.

(2) VIZAGAPATAM.

105. The area concerned in this district is under the two District Superintendents of Police of Vizagapatam and Koraput. The taluks of Bissemcuttack, Gunupur, Rayagadda and the Narayanpatnam Agency of Parvatipuram taluk is under the District Superintendent of Police, Vizagapatam, and under the immediate supervision of the Assistant Superintendent of Police at Parvatipuram.

The latter has also charge of the remaining portion of the Parvatipuram taluk **and** of some of the plains area. After separation, there will be required an Assistant Superintendent of Police solely for this portion of the Agency area under the District Superintendent of Police, Koraput. For our purpose, therefore, it is assumed that the cost of the Assistant Superintendent of Police **and** his office staff will be the same as that of the Assistant Superintendent of Police at Parvatipuram. The headquarters of the Assistant Superintendent of Polioe may be at Rayagadda. The other taluks of the Jeypore Agency are under the District Superintendent of Police at Koraput. The expenditure of the two parts is as follows :—

	1927-28.	1928-29.	1929-30.
Parvatipuram Circle (excluding the office of **the Assistant Superintendent of Police)**	I ' l l	1-13	1-19
Koraput District Superintendents of Polioe Office ..	3-29	3·50	3-82
Total ..	4-40	4-63	**6-01**

A.—Basic *figure.*

106. The average is 4-68 to which must be added the cost of the office of the Assistant Superintendent of Police which is estimated at 0·10. Eecently Government have passed orders reducing the Police strength of the two areas. The saving in basic expenditure is estimated as follows :—

Koraput	**0-42**
Parvatipuram Circle	**0·15**
Total ..	0-57

107. The basic expenditure is, therefore, as follows :—

Average	4·68
Office of the Assistant Superintendent of Police	0-10
Less—Reductions in establishment	0 • 57
	4-21

B.—*Cost of separation.*

108. There is an armed police reserve at Koraput, but to some extent the reserves in the plains are maintained or at any rate are available and may be needed for the suppression of ' fituris' (rebellions), We estimate accordingly one sergeant, four head constables and 40 constables must be added to the Koraput reserve. The cost will be 0 • 11. Expansion is *nil*

(3) GANJAM.

1927-28 .. .. ,.	**4-21**
1928-29.	**4-14**
1929-30.	**4-13**
Total ..	**12-48**

A.—*Basic figure.*

109. The average is 4-16. To this must be added the cost of **Railway** police which the new province will have to bear. The railway runs through about 160 miles in the portions of the two districts concerned. If it is arranged that Bihar should provide the police for this area, the cost will approximately be 0-13. Recently Government have sanctioned a reduction in District **Police** establishment which is estimated at about 0 • 28 per annum. The basic expenditure may, therefore, be calculated as follows :—

Average	4·16
Railway Police	0·18
***Deduct*—Savings**	0·28
	401

110. Expansion and cost of separation are *nil.*

Summary.

111.

(1) ORISSA.

Basic expenditure	12· 06
Cost of separation	1·35
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure	4·21
Cost of separation	0·11
Expansion	..

(3) GANJAM.

Basic expenditure	4-01
Cost of separation	..
Expansion	..
Total basic, expenditure ..	20-28
Total cost of separation ..	1-46
Total expansion ..	..

27.—PORTS AND PILOTAGE.

112.

(1) ORISSA.

As explained in our note on the corresponding receipt head, expenditure under this head may be taken to be *nil.*

(2) VIZAGAPATAM.

Expenditure	*Nil.*

(3) GANJAM.

Expenditure	*Nil.*

Both cost of separation and expansion are also *nil.*

30.—SCIENTIFIC DEPARTMENTS.

(1) ORISSA.

113. The expenditure under this head for the whole province has been :—

Items.	1927-28.	1928-29.	1929-30.
A. Archaeological Department	0·12	0-09	0·03
B. Donations to Scientific Societies ,. ..	0-08	0·07	0-07
C-1 Museums..	0·29	0·23	0·28
C-2, Ethnological grant	..	0-06	0-07
Total ..	0-49	0-45	0-45

A.—Basic figure.

A is concerned with the expenditure on special repairs to the Rohtasgarh Fort (outside the Orissa Division) which is shared equally by the Provincial and Central Governments. Orissa is not concerned in this item.

B refers to expenditure incurred wholly in Ranchi.

C-l represents expenditure on the Museum at Patna, The expenditure in these years may have been partly spent in connection with its activities in the Orissa Division: for example, in cataloguing palm leaf manuscripts in Orissa for which some expenditure was incurred in 1927-28 and probably in 1928-29 ; but it is not geographically referable to that division. Whatever haft been spent has resulted in enriching the Patna Museum.

C-2 is a grant for ethnological researches among Uraons and Mundas—hill tribes of Chota Nagpur Division.

114. Practically therefore no part of the above expenditure can be assigned to Orissa, and it is certainly not essential that any should be incurred by the new Government.

Basic expenditure	..
Cost of separation	..
Expansion	..

(2) VIZAGAPATAM.

A.—Basic figure.

115. Expenditure during three years was:—

1928-29	0-01
1929-30	0-20
1930-31	0-03
Total ..	0-24

or an average of 0·08. But a large part of this expenditure was in connection with a hydro-electric scheme which it is linderstood has since been abandoned, At present there is only a small establishment at Jeypore maintainedi for reading rainfall and river level measurements. The monthly cost is about Be. 30. Basic expenditure for a year would therefore amount to its. 360. We may take it as 0·01.

(3) GANJAM.

116. The expenditure is *nil*: So also expansion and cost of separation.

Summary.

117.

(1) ORISSA.

Basic expenditure	..	..	..	..	..	..
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

(2) VIZAGAPATAM.

Basic expenditure	..	..	..	..	..	0·01
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

(3) GANJAM.

Basic expenditure	..	..	..	..	..	..
Cost of separation	..	..	..	..	..	..
Expansion	..	..	..	..	..	..

Total basic expenditure	..	0·01
Total cost of separation	..	..
Total expansion ..	..	..

31.—EDUCATION.

(1) ORISSA.

Education—Reserved.

Items	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Beoondary	0·67	0·18	0·91	0·18	1·23	0·18
Primary	0·26	0·10	0·28	O'll	0·26	O·U
Government Special Schools ..	0·29	..	0·61	..	0·65	..
General	0·03	..	0·03	..	003	..
Scholarships	0·13	003	0·13	002	0·13	0·03
Total ..	1·38	0·31	**1·96**	0·31	2·30	0·32

A.—Basic figure.

118, The expenditure against—' Government Special Schools' is net after deducting contributions from other Provinces—Bengal, etc. The expenditure and the contributions however refer to the Reformatory School at Hazaribagh and therefore Orissa is not directly concerned.

119. The average of Orissa expenditure is 0·31. The Bihar and Orissa Government does not employ a whole·time Inspector for European Schools; but a special pay of Rs. 150 per mensem is given to an Indian Educational Service Officer for this part of the work in addition to his own salary. Unless the Deputy Director is a European, Orissa will probably make similar arrangements for the inspection of European Schools in that Division. There are only three such institutions. The cost of these arrangements will be discussed under separation. For the present, the basic expenditure may be put down at 0·31 which is the 3 years' average.

Education—Tramrferred.

Items.	1927·28. Whole Province.	1927·28. Orissa.	1928·29. Whole Province.	1928·29. Orissa.	1929·30. Whole Province.	1929·30. Orissar
University,						
Grants to University	0·23	••	0·24	••	0·26	••
Government Arts College ..	12·02	2·62	9·64	2·69	9·17	2·52
Grants to Non·Government Arts Colleges	1·56	..	1·74	..	1·79	..
Government Professional Colleges—						
(a) Law College, Patna ..	0·58		0·54	••	0·68	..
(6) Training College for Masters, etc. ..	0·75	0·21	0·88	0·24	0·85	0·23
Secondary.						
Secondary School for Boys ..	6·71	1·46	7·67	1·46	8·04	1·55
Secondary School for Girls ..	0·97	0·46	1·03	0·60	1·13	0·55
Direct grant to Non·Government Seoondary Schools., ..	5·39	0·69	5·55	0·81	5·81	0·71
Grants to local bodies for Secondary Education	1·60	0·47	1·77	0·48	2·91	0·64
Primary,						
Primary Schools for Girls ..	0·04	0·02	0·07	0·02	0·08	0·02
Direct grants to Non·Government Primary Schools ..	0·05	,,	0·10	.,	0·08	..
Grants to local bodies for Primary Eduoation	33·67	6·63	**34·00**	**6·61**	35·98	**6·81**

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Government Special Schools.						
Training Schools for Masters ..	4·43	0·83	4·44	0·85	4·46	0·84
Training Schools for Mistresses	0·45	0·07	0·51	0·08	0·54	0·09
Other Schools	0·60	0·16	0·63	0·17	0·65	0·18
Direct grants to Non-Government Special Schools	0·94	0·22	1·03	0·19	1·33	0·23
General.						
Direction	1·33	..	1·28	..	1·36	..
Inspection	8·47	1·90	8·74	1·96	8·93	2·07
cholarships	1·22	0·25	1·21	0·25	1·22	0·23
Miscellaneous	1·54	0·16	1·55	0·14	1·61	0·19
Expenditure in England ..	2·13	..	1·70	..	1·69	..
English Stores	0·01	..	..	..	..	..
Total ..	85·90	16·15	85·50	16·35	89·81	16·86

A.—*Basic figure.*

120. The Government grant to the Patna University is not a fixed amount. It was Rs. 22,500 in 1927·28, Rs. 24,000 in 1928·29, Rs. 24,500 in 1929·30 and Rs. 25,000 in 1930·31. The amount budgetted for 1931·32 is also Rs. 25,000. It seems clear that for some years the Government aid to this institution has reached the maximum.

121. The average of Orissa expenditure is Rs. 16·45. There is however Bome danger in taking only the average expenditure as the basic figure for the Education Department. The three years' actuals show that the expenditure is steadily rising and this Department is and always will be, a growing department. It was 16·86 in 1929·30. In the circumstances, we take Rs. 16·86 instead of the average and shall allow for subsequent growth under expansion.

The average expenditure in England has been 1 • 84 and on the basis of the number of officers of the Indian Educational Service and the Bihar and Orissa Educational Service Class I officers employed in the whole province and in Orissa, 0·23 or 1/8 of the average expenditure in England for the whole province should be debited to Orissa. The total average expenditure comes to **17·09** which we adopt as basic figure.

B.—*Cost of separation.*

122. Of the educational institutions in the whole province which are now **open** to the people of the Orissa Division the following exist in that Division **and** their cost is already included in the average of **17*09**:—

Government Arts Colleges,

Training College for .Masters,

Government Secondary Schools (Boys and Girls),

Primary School for Girls,

Training School for Masters and Mistresses, and

Sanskrit School at Puri.

123. There are however the following Bihar institutions which directly serve Orissa at present :—

		Budget, 1931-32.
The Patna University	.. ..	0·25
The Law College, Patna	.. ..	0·70
The School Examination Board	.. ..	0·59
The Sanskrit Association	.. ..	0·12
The Oriental Public Library	.. ..	0·23
Boy Scouts and Girl Guides Association	.. .. ..	0·11
Reformatory at Hazaribagh	.. ..	1·28
Total	..	3·28

124. *The Patna University.*—The number of Orissa students appearing at the examinations of the University is about 1/10 of the total candidates. The Government grant to the University is however so small (0'25) that Bihar Government would not probably reduce it after separation and in any case would also in view of the small number of Oriya students, not ask for a contribution from the Orissa Government.

The Law College at Patna.—The Raveiishaw College at Cuttack also possesses facilities for law students up to the B. L. standard.

School Examination Board and Sanskrit Association.—Orissa will certainly want a School Examination Board of its own which would cost including travelling allowances, examining fees and other incidental expenditure—about Es. 3,000.

Sanskrit Association.—If Orissa continues to depend on Bihar for examination but not for inspection, it would be required to contribute 0* 01 as its net share of the cost. The actuals for 1930-31 are :—

Total cost.	Total candidates.	Orissa candidates.
Rs. 9,400	5,349	431

We think it probable that Orissa will not decide to set up an association of its own. The Oriental Public Library does not concern Orissa.

Boy Scouts and Girl Guides Association.—The present grant to these two institutions is Rs. 11,500 per annum. Orissa will probably contribute RB. 2,000.

The Reformatory School at Hazaribagh is at present shared by Bengal and Assam with Bihar and Orissa. After separation, Orissa will find it more convenient to follow the same arrangsmen 1than to establish a school of its own. The number of boys from the Orissa Division at the Reformatory

School, Hazaribagh, during the three years 1927-28 to 1929-30 was on au average 5 and therefore the new province may be called upon to pay 0·04 per annum to Bihar as its share for 8 boys (including 3 from Ganjam and Vizagapatam).

The Ravenshaw College at Cuttack has not facilities for training students up to the M.Sc. standard ; nor is there likely to be any need for such facilities in Orissa. Besides there is plenty of room at the Science College at Patna and the Bihar Government will not probably insist on a special contribution from Orissa.

125. The cost to the new province for providing the same educational facilities which are now available to the Orissa Division may thus be calculated as follows:—

School Examination Board	0·03
Sanskrit Association	0·01
Oriental Public Library	..
Boy Scouts and Girl Guides Association	0·02
Reformatory School, Hazaribagh	0-04
Total	0·10

126. *Headquarters staff.—The* headquarters staff of the Educational Department at Patna who are also responsible for Orissa is shown below as also the corresponding staff required in Orissa after separation :—

	Number of posts in I. E. S. or Bihar and Orissa Class I.	Number of posts in Bihar and Orissa Class II.	Number of posts in Orissa.
1 Director of Public Instruction	4	..	..
1 Registrar of Examinations	..	1	..
1 Superintendent of Sankrit Studies	..	1	1
1 Superintendent of Islamic Studies	..	1	1
1 Secretary of the Madrassa Examination Board	..	..	..
1 Inspector of European Schools	..	..	..

Besides the stafi employed exclusively in the teaching line in Orissa educational institutions (which are all self-contained) there are in Orissa :—

(A) 1 Inspector of Schools (Bihar and Orissa Educational Service—Class I).

(B) 1 Inspector of Schools (Bihar and Orissa Educational Service—Class I).

One of these officers works in Angul and the Feudatory States, and about four-fifths of his pay is recovered from the States.

After separation, a possible arrangement would be to replace the Inspector in Class I by a Director of Public Instruction and the second Inspector by a Cl&ss II officer, and to leave the Feudatory States to manage for themselves.

In view, however, of the inclusion of the Madras areas we think that in addition to a Director of Public Instruction, a Deputy Director in Class I will also be required ; and that, as at present, one Inspector in Class I should also be retained for Angul and the Feudatory States, which will continue to contribute Rs. 12,000 per annum. The net cost on the above basis will be 0' 29.

127. The total cost of separation may therefore be put at 0 • 39, *viz.* :—

School Examination Board and contribution to Educational Institutions in Bihar	0·10
Overhead staff .. .. ,. ..	0-29
Total ,.	0-39

C.—*Expansion.*

128. There is no reason to suppose that Orissa is at present less advanced than Bihar and there is therefore no expectation of any abnormal rate of expansion in a separated Orissa. On the other hand, it is quite clear that the new Government will have to face many and insistent demands from this department. How far and at what rate it will be in a position to meet them will depend largely on a number of factors such as similar demands from other departments, its own financial position, etc. It is clear however that in this department we must allow for a steady growth of expenditure. Under expansion accordingly we propose to enter a sum of 2 • 21.

129. The Education Budget of Orissa proper (excluding Ganjam and Vizagapatam) may therefore be put at 20·00 as detailed below :—

Basic expenditure-		
Reserved	0·31	
Transferred ., ...	17-09	
		17-40
Cost of separation		0-39
Expansion		2-21
Total		20-00

(2) VIZAGAPATAM.

A.—*Basic figure.*

130. There are altogether about 450 elementary schools, some private, some under the management of the Agency Local Board and others Government Schools. Both the private and Agency Schools are subsidised by Government. Since 1930-31, the special Assistants to the Agent are in sole supervision of elementary education. There are 4 Secondary Schools under the management of the Local Board. Training Schools are all Government

astitutions. **The** expenditure on account of each of these schools and on other items is as below:—

	1927-28.	1928-29.	1929-30.
Government Primary Schools	0·06	0·05	0·07
Direct grants to non-Government Primary Schools	0·11	0·11	0·14
Grants to Agency Local Board for Primary Schools—			
Recurring	0·33	0·30	0·42
Non-recurring	0·02	0·06	0·02
Grants to Agency Local Board for Secondary Schools—			
Recurring	0·03	0·03	0·04
Non-recurring	0·10	..	0·01
Government Training Schools	0·09	0·08	0·08
Inspection	0·12	0·13	0·13
Scholarships	0·01	0·01	0·01
Total ..	0·87	0·77	0·92

The average is 0 85 which may be accepted. The cost of separation is *nil.* **The** present arrangements will continue.

C.—Expansion.

131. There is no doubt that there will be much need for increased expenditure but even if fimds are available experience shows that in backward areas education spreads slowly. It may be safely assumed therefore that the education bill will not rise beyond 1 · 00 in the next few years. 0 ·15 may therefore be taken for expansion.

(3) GAN JAM.

A.—*Basic figure.*

132. *Arts Colleges.·There* are two private Government aided colleges in the area which is to go to the new province ; one at Berhampur and the other at Parlakimedi. The grants·in·aid paid to these two institutions average 0* 25.

Secondary Schools,—There are no Government Secondary Schools in the plains area of Ganjam ; but Government makes grants·in·aid to private schools. There is one school in the Agency area maintained by Government. Expenditure on both these accounts was as follows :—

	1927·28.	1928·29.	1929·30.
Government Secondary School	•.	0·05	0·06
Grants·in·aid	0·79	0·83	0·S9
Total ..	0·79	0·88	**0·95**

The expenditure of **1929·30,** ***viz.,*** **0*95 may** be **taken.**

Primary Schools.—Primary education is mainly in the hands of local bodies but there are also schools under private management. Both kinds of insti· tutions are subsidised by Government. Education in the Agency is under Government and private management. The expenditure on this account was as below :—

	1927-28.	1928-29.	1929-30.
Primary Schools	0-89	1-03	**1-09**
Grants-in-aid in Plains	2 • 87	3-18	**3-64**
Grants-in-aid in Agency	0-12	0-15	0·25
Total ..	3« 88	4-36	**4·98**

As in the case of Secondary Education, the expenditure in 1929-30 may be accepted.

Training Schools are managed by Government both in the plains and in the Agency. The expenditure in the three years concerned was :—

	1927-28.	1928-29.	1929-30.
Training Schools in Plains	0-35	0-44	0-42
Training Schools in Agency area ..	0·19	0 · 22	0 • **23**
Total ..	0-54	0-66	**0-65**

The average of 0·62 may be taken.

Inspection.—The Distr&t Educational Officer, Berhampur, is mainly concerned with the supervision of educational institutions in the plains. Supervision of education in the Agency area is under the Agent to the Governor who is assisted by an expert staff.

	1927-28.	1928-29.	1929-30 •
Inspection in Plains	0-38	0-40	0·45
Inspection in Agency	0-16	**0·17**	**0·17**
Total ..	0-54	0-57	0-62

The aveage is 0'58.

Scholarships.— This expenditure occurs mainly in the Agency area. The expenditure has averaged 0'04.

183. The basic expenditure under education may therefore be calculated as follows:—

Grants-in-aid to Arts Colleges	0·25
Secondary Schools	0·95
Primary Schools	4·98
Training Schools	0·62
Inspection	0·58
Scholarships	0·04
Total ..	7·42

B.—*Cost of separation.*

134. The cost of separation is *nil.* The District Educational Officer at Berhampur will work under the Director of Public Instruction, Cuttack.

Expansion has been provided for separately under (1) Orissa.

Summary.

135.

(1) Orissa.	
Basic expenditure	17·40
Cost of separation	0·39
Expansion	2·21
(2) Vizagapatam.	
Basic expenditure	0·85
Cost of separation	..
Expansion	0·15
(3)—Ganjam.	
Basic expenditure	7·42
Cost of separation	..
Expansion	..
Total basic expenditure ..	25·67
Total cost of separation ..	0·39
Total expansion ..	2·36

32.—MEDICAL.

(1) Orissa.

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Medical establishment.						
Superintendence	0·69	..	0·72	..	0·71	..
District Medical Officers ..	5·60	0·98	5·31	0·96	5·34	0·88
Reserved Medical subordinates ..	0·11	0·03	0·05	(399)	0·43	0·07

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Hospitals and Dispensaries,						
Moffusil Hospitals and Dispensaries	7·78	1·32	8·07	1·49	8·04	1·41
Grants to Hospitals and Dispensaries	5·34	1·09	5·72	1·11	6·82	1·11
Grants for Medical purposes—						
Reserved	..	..	0·03	..	0·03	..
Transferred	0·19	..	0·09	..	0·09	..
Medical Colleges and Schools.						
Medical College	2·94	..	2·90	..	2·96	..
Medical Schools	1·29	0·57	1·23	0·62	1·26	0·63
Schools of Indian Medicine ..	0·33	..	0·33	..	0·30	..
Post-Graduate course for Assistant and Sub-Assistant Surgeons	0·06	0·01	0·03	0·01	0·04	0·01
Contribution to Calcutta Medical College	..	..	..	..	0·01	..
Training of Assistant and Sub-Assistant Surgeons at Calcutta	0·02	..	0·02	..	0·02	..
Mental Hospitals	1·21	..	1·31	..	1·66	..
Radium Institute	0·37	..	0·24	..	0·22	..
Chemical Examiner	0·36	..	0·36	..	0·37	..
English Stores	0·06	..	0·03	..	0·02	..
Expenditure in England ..	1·32	..	1·50	..	1·69	..
Total expenditure ..	27·67	4·00	27·94	4·19	30·01	4·11

A.—*Basic figure.*

136. The average of Orissa expenditure is 4-10. The average of the **total** expenditure in England was 1-54 for the whole province. The expenditure on account of pay of District Medical Officers for the whole province and in Orissa Division being on an average 4-20 and 0-61 respectively, we add **0*22** to the basic figure of Orissa as expenditure in England, *i.e.*, 1/7 of the English expenditure bringing the basic expenditure to 4-32.

B.—*Cost of separation.*

137. The expert Medical staff now employed in Orissa consists of 5 **(Svi** Surgeons, 17 Assistant Surgeons (including leave reserve) and 43 Sub-**Assistant** Surgeons (including leave reserve). This is sufficient for its district needs ; on separation, therefore, Orissa will have to provide for only the **Heafl ol the** Department, the present incumbent being retained by the **Bihar Government.** As the new province will consist of only 7 districts, **a suitable**

arrangement would be to appoint an Inspector General of Civil Hospitals for. Orissa who would also be Inspector General of Prisons and Director of Public Health, receiving for these additional duties a special pay of Rs. 200 per mensem. He will-also require a Personal Assistant who may be an officer of the Provincial Medical Service. The cost to the Orissa Government including the necessary staff would be 0*51 as follows:—

	Rs. per mensem.
Inspector General of Civil Hospitals	2,750
Special and Overseas pay	377
Personal Assistant	302
7 Clerks	552
8 Menials	73
	4,054
Cost per annum	48,648
Allowances	1,266
Contingencies	1,086
	51,000

138. The basic figure of expenditure does not include charges on some accounts which the Bihar and Orissa Government also incurs and the benefits arising from which are at present shared both by Bihar and Orissa. Such items are:—

(i) Grants for Medical purposes.

(ii) Training of Assistant and Sub-Assistant Surgeons at the School of Tropical Medicine, Calcutta.

(iii) Chemical Examination.

(iv) Medical College for Graduate course.

(v) Mental Hospital.

(vi) Schools of Indian Medicines.

(vii) Itki Sanitorium.

(viii) Radium Institute.

(ix) Ranchi Mental Hospital for Europeans.

(i) Grants for Medical purposes consist of amounts spent in connection with the Medical Examination Board and amounts paid to the Council of Medical Registration, Child and Maternity Welfare League and Lady Hardinge Medical College, Delhi. A sum of Rs. 3,000 at least will have to be borne by the new province on separation.

(ii) Training of Assistant and Sub-Assistant Surgeons at the Calcutta School of Tropical Medicine may be taken at 0·01.

(iii) The chemical examination work of the present Government is at present done at Calcutta, and probably after separation a similar arrangement will have to be made by Orissa directly with Bengal. The average cost to the Bihar and Orissa Government on this account is 0.36 and Orissa will have to make a provision of 0-07.

(iv) There is only a Medical School in Orissa (a diploma course) and no facilities for a graduate course for which the students have at present to seek admission to the Medical College at Patna. The following table shows the contribution which Orissa will have to make to Bihar .—

Average number of Orissa students in junior classes	No.	11
Average cost per student which the Bihar Government has to bear	Rs.	1,290
Total cost for 11 junior students	Rs.	14,190
Average number of Orissa students in senior classes	No.	7
Average cost per student which Government has to bear	Rs.	4,380
Total cost for 7 senior students ..	Rs.	30,660
Total cost for Orissa ..	Rs.	44,850 or 0·45

(v) Similarly, Orissa's contribution to the Bihar Government on account of the Indian Mental Hospital at Ranchi calculated on the basis of the last 3 years' number of Oriya patients and the cost *per capita* of the patients in the hospital is estimated at 0.26.

(vi) There are two Indian Schools of Medicine in Bihar: *(i)* Ayurvedic and *(ii)* Tibbi. It is understood that there is no demand for Tibbi practitioners in Orissa and only one Oriya student is at present studying at the Government Ayurvedic School at Patna. Considering the small demand for this kind of medical training in Orissa, probably Bihar Government will not insist on a contribution from Orissa.

(vii) The Itki Sanitorium is not open to the people of other provinces,

(viii) The Radium Institute is at present open to all patients in India on payment of the usual charges. Bihar will not therefore ask for a special contribution from Orissa.

(ix) The Bihar and Orissa Government has at present to make contributions to the Board of Trustees of the Ranchi Mental Hospital for Europeans: The amount paid in recent years was :—

1927-28	0·12
1928-29	0·19
1929-30	0·24

A proportionate charge on this account to Orissa will be 0·05.

139. The cost of separation may therefore be estimated as follows :—

Superior staff and Supervision	0·51
Grants for Medical purposes	0·03
Training at the Tropical School of Medicine, Calcutta ..	0·01
Chemical Examiner	0·07
Medical College	0·45
Mental Hospital	0·26
Contribution to the Mental Hospital for Europeans ..	0·05
Total cost of separation ..	1·38

140. Expansion is *nil.*

(2) VIZAGAPATAM.

	1927-28.	1928-29.	1929-30.
Agency Civil Surgeon and his staff	0·17	0·15	0·12
Government Medical Institutions	0·17	0·35	0·38
Local Fund Taluk Headquarters Medical Institutions	0·21	0·17	0·15
Other Local Fund Medical Institutions ..	0·07	0·05	0·05
Grants to Local Bodies	0·01	0·12	0·13
Total ..	0·63	0·84	0·83

A.—Basic figure,

141. The expenditure of 1927-28 is not comparable with that of other years. Basic expenditure may be taken as 0*84 which is the average of the last two years.

The cost of separation is *nil* as also expansion.

(3) GANJAM.

142. There is a headquarters Hospital at Berhampur in charge of a Civil Surgeon who is also the District Medical Officer for the whole district. All dispensaries in the Agency are maintained by Government and in the plains by local bodies. The Medical officers in charge of Taluk headquarters dispensaries in the plains are Government servants whose pay is finally borne by Government, other charges being borne by the local bodies. As regards other dispensaries the medical officers are paid by Government in the first instance and a sum of Rs. 136-4-0 per officer per month is recovered from the local body. There is therefore no net cost to Government on this account. Government also pays contributions to local bodies for the maintenance of rural dispensaries.

143. The expenditure for each class of dispensaries is set out below :—

	1927-28.	1928-29.	1929-30.
District Medical Officer	0·21	0·22	0·23
Headquarters Hospital, Berhampur	0·22	0·26	0·29
Other Government Hospitals and Dispensaries ..	0·62	0·78	0·92
Rural Dispensaries	0·05	0·05	0·05
	1·10	1·31	1·39

The average of 1·27 may be taken as basic expenditure. Cost of separation is *nil*. Expansion is *nil*.

Summary.

144.

(1) ORISSA.

Basic expenditure	4·32
Cost of separation	1·38
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure	0·84
Cost of separation	..
Cost of expansion	..

(3) GANJAM.

Basic expenditure	1·27
Cost of separation	..
Expansion	..
Total basic expenditure ..	6·43
Total cost of separation ..	1·38
Total expansion ..	..

33—PUBLIC HEALTH.

(1) ORISSA.

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Public Health Establishment.						
Superintendence	1·16	..	1·36	..	1·25	..
Engineering Branch	2·09	..	2·18	..	2·73	..
Sanitary Inspectors' class ..	0·01	..	(235)	..	(200)	..
Vaccination Establishment ..	0·79	0·16	0·76	0·16	0·73	0·16
Vaccine Depot	0·25	..	0·26	..	0·28	..
Grants for Public Health purposes.						
Contributions on account of Health Officers and Sanitary Inspectors	0·11	0·07	0·15	0·11	0·18	0·09
Medical examination of scholars and teaching of hygiene ..	0·35	0·05	0·37	0·07	0·42	0·07
Contributions to local bodies for water supply	2·75	0·07	2·66	0·16	7·27	0·31
Grants to District Boards for Public Health Schemes ..	0·31	0·31	0·42	0·24	0·45	0·29
Expenses in connection with epidemic diseases	0·96	0·10	1·25	0·10	1·37	0·10
Bacteriological laboratories.						
Public Health Laboratory ..	0·14	..	0·23	..	0·25	..
Bacteriological Laboratory ..	0·02	..	0·10	..	0·10	..
Pasteur Institute	..	..	0·08	..	0·17	..
Works	3·58	0·77	3·78	0·81	6·35	0·71
Stores	..	..	0·10	..	0·01	..
English expenditure	0·40	..	0·38	..	0·36	..
Total ..	12·92	1·53	14·08	1·65	21·92	1·73

A.—*Basic figure.*

145. The large expenditure on 'Works' was in connection with drainage, sewage and water supply in Government Institutions such as the Ravenshaw College and the Medical School, Cuttack. These schemes have been completed and there are no others under contemplation. *Omitting* therefore the works expenditure, the average comes to 0-87. This figure does not however include the charges of the Assistant Director of Public Health (an appointment recently created). The cost of his establishment is 0-12. Some part of the expenditure under " epidemic diseases " occurs by adjustment representing the cost of vaccines and other supplies from Public Health Institutes in other provinces or in Bihar. Owing to the importance of Puri as a pilgrimage centre, there is a heavy expenditure on account of the cost of vaccine lymphs supplied to Orissa. It is estimated at 0 • 27.

Orissa is not concerned with expenditure in England as all the officers of this department in respect of which it is incurred are employed outside Orissa.

The basic expenditure may therefore be set down as below :—

Average expenditure	0·87
Assistant Director of Public Health and his Staff ..	0·12
Cost of Vaccine	0·27
	1·26

Cost of separation is *nil.*

146. After separation, Orissa will be deprived of the services of : —

(a) Director of Public Health.

(b) The Superintending Engineer for Public Health schemes.

(c) The Sanitary Inspectors' class,

(c) The Public Health Laboratory.

(e) Bacteriological Laboratory.

(/) Pasteur Institute.

Some of these, Orissa will have to provide for specifically at some extra cost and for others, it will probably depend on Bihar to which it will make contributions for services rendered. There is no doubt that the new province must have a Director of Public Health ; but for such a small province, a separate officer is not necessary. The appointment may therefore be combined with that of the Inspector General of Prisons and of Civil Hospitals. The combined appointment has been provided for under' 32 Medical'. The present Assistant Director of Public Health will also be the Personal Assistant of the Director. A small addition to the staff will be necessary to cope with the additional work of the head of a department arising out of correspondence with the Government, other heads of departments and the maintenance and preparation of statistical returns. Two clerks and a peon and other incidental charges will cost 0-04 per annum.

At present, there is only a Sub-Divisional Officer at Puri representing the Engineering Branch of this department. In the new province, the work of this branch will be mainly the supervision of the waterworks at Puri and the maintenance of drainage, sewage and water supply in Government Institutions such as the Ravenshaw College, Medical School at Cuttack and the Government House at Puri and the Secretariat at Cuttack. For this work and for any other Government Works and Public Health Schemes of local bodies that may have to be undertaken in future an Executive Engineer possessing Sanitary training will be required. The average annual cost of such an office with the necessary establishment will be 0.31 and a further sum of 0 • 20 (made up of 0 • 10 for the present works and 0 • 10 for future works—such as Government House, etc.) will be needed for the annual maintenance charges of the works. This makes altogether 0.51. This will constitute the minimum net expenditure which the new Government will have to bear. Any big new project of a local body can be carried out by employing additional staff at the expense of the local body. A Superintending Engineer will thus not be needed.

147. Orissa will probably agree to share with the Bihar Government the expenditure on the following institutions on the basis of the actual services rendered:—

	Contribution to Bihar. Rs.
Sanitary Inspector's class	200
Public Health Laboratory	4,000
Bacteriological Laboratory	1,800
Pasteur Institutes	2,000
Total ..	8,000

148. **The total cost of separation will thus be :—**

Staff of the Director of Public Health	0·04
Staff of the Executive Engineer, Public Health Department	0·31
Maintenance charges of Government Public Health schemes	0·20
Contribution to Bihar for other services rendered	0·08
	0·63

C.—*Expansion.*

149. There is not much scope for expansion except in connection with the new Government buildings that will be constructed after separation. But as allowance has been made for this under the cost of separation, expansion is *nil.*

(2) VIZAGAPATAM.

1927-28	0-20
1928-29.	0-22
1929-30	0-28
	0-70

A.—*Basic figure.*

150. The expenditure was on account of the pay of an Inspector, and *6i* Vaccinators. The average is 0-23. The cost of supplying sera and vaccine **lymph** which averages annually 0-04 must also be added. The average total expenditure is thus 0.27 which may be accepted as the basic figure.

B.—*Cost of separation.*

15L The cost of separation will be *nil,* as the staff works under the Agency Civil Surgeon, who is provided for under ' Medical '.

(3) GAKJAM.

152. The Public Health Department is under the District Medical Officer f6r the Agency area and under the District Health Officer at Chatrapur for the **plains.** The direct expenditure incurred by them is as below :—

	1927-28.	1928-29.	1929-30.
Plains area	0·15	0·16	0·19
Agency	0·15	0·14	0·15
Total ..	0·30	0·30	0·34

A.—*Basic figure.*

153. Average is 0·31 to which must be added 0·03 being the cost of vaccine supplied by the Director, King Institute, Guindy. The basic expenditure is 0·34.

154. Both expansion and cost of separation is *nil.*

Summary.

155.

(1) ORISSA.

Basic expenditure	1·26
Cost of separation	0·63
Expansion	*Nil.*

(2) VIZAGAPATAM.

Basic expenditure	0·27
Cost of separation	*Nil.*
Expansion	*Nil.*

(3) GANJAM.

Basic expenditure	0·34
Cost of separation	..
Expansion	..
Total basic expenditure ..	1·87
Total cost of separation ..	0·63
Total expansion ..	..

34.—AGRICULTURE.

(1) ORISSA,

Items.	1927-28. Whole province.	1927-28. Orissa.	1928-29. Whole province.	1928-29. Orissa.	1929-30. Whole province.	1929-30. Orissa.
Agriculture.						
Superintendence	0·64	..	0·72	..	0·74	..
Expert staff	1·85	0·29	1·90	0·21	2·16	0·21
Sabour Estate	0·05	..	0·06	..	0·07	..
Experimental Farms	2·60	0·58	2·72	0·60	3·39	0·63
Agricultural Education	..	..	..	..	0·02	..
Public Service	0·56	0·04	1·17	0·01	1·03	0·02
Veterinary.						
Superintendence	0·94	0·17	0·78	0·17	0·80	0·18
Subordinate Establishment ..	0·46	0·07	0·46	0·06	0·49	0·06
Hospitals and Dispensaries ..	1·37	0·29	1·72	0·27	1·98	0·46
Veterinary Instruction (Patna) ..	0·88	..	0·64	..	0·43	..
Cattle Breeding Farm (Patna) ..	1·25	..	0·66	..	0·58	..
Co-operative Credit	3·18	0·80	3·56	0·69	3·67	0·73
English Stores	0·21	..	0·04	..	0·05	..
Expenditure in England ..	0·48	..	0·69	..	0·47	..
Total expenditure in Angul ..	0·37	..	0·11	..	0·30	..
Total charges ..	14·84	2·24	15·23	2·01	16·18	2·31

A.—*Basic figure.*

156. The average Orissa expenditure is 2.19; but this refers to expenditure in India only. The average expenditure in England of the whole province is 0*65. On the basis of the average number of officers of the Indian Agricultural and Veterinary Services employed in the whole province and in Orissa, 0.09 should be debited to Orissa, being one-seventh of the average English expenditure.

157. Besides the expenditure of the Veterinary Department recorded above, further expenditure on account of Veterinary Service is also incurred by the Department; but is kept outside the service head of account. This expenditure is for sera and vaccine purchased from the Muktesar Laboratory for and on behalf of the local bodies. A large part of these recoveries **are** always in arrears. The amounts thus outstanding at the end of the last three years were:—

Year.	Whole province. Rs.	Orissa Division. Rs.
1927-28	66,748	434
1928-29	75,221	12,413
1929-30	55,477	11,461
Total ..	1,97,446	24,308
Average	65,815	8,103

After separation, the Orissa Division will have to pay to the Central Government, a sum of Rs. 8,000 being the probable outstandings on the date of separation. This will not however involve an extra burden on the revenues of Orissa as that amount (or a greater part of it) will be recovered from the local bodies. But it appears that most of the District Boards of the Province are financially in straitened circumstances and cannot afford to meet the expenditure incurred on the occasion of cattle epidemics. The Bihar and Orissa Government had therefore to budget for an expenditure of Rs. 25,000 and Rs. 5,000 in 1930-31 and 1931-32, respectively, for paying grants-in-aid to local bodies for the supply of serum and vaccine. It is probable therefore that Orissa will have to meet some expenditure on this account. This may be put at Rs. 5,000. (The average of the last four years is 0.07 but 1928-29 and 1929-30 were epidemic years.)

158. At the same time, some portion of the vaccine and sera supplied from the Muktesar Laboratory is departmentally used. The amount so spent in previous years was:—

	Whole province.	In Orissa.
	Rs.	Rs.
1927-28	6,532	5,008
1928-29	36,418	27,972
1929-30	24,579	15,799
1930-31	2,926	1,555
Total ..	70,455	50,334

The average is Rs. 12,584, but considering the abnormal expenditure in 1928-1929 and 1929-30 a somewhat lower figure of 0. 10 must be added to the average expenditure.

159. The basic estimate of expenditure is therefore :—

(a) Average expenditure	2·19
(b) English expenditure	0·09
(c) Grants-in-aid in connection with supply of sera and vaccine and cattle disease	0·05
(d) Purchase of sera and vaccine for departmental use	0·10
Total ..	2·43

B.—*Cost of separation.*

160. *Agricultural Department.*—The Bihar and Orissa Government has one Director of Agriculture who has jurisdiction over the whole province. The whole of the Orissa Division is at present in immediate charge of two Provincial Agricultural Service Officers. Excepting for the Head of the department, no superior staff will be necessary.

A whole time officer will not be required as head of the department. **A single** officer, who might be designated the Development Commissioner, can **hold** charge of the Agricultural Veterinary Co-opertive and Industries departments. (This appointment is dealt with under General Administration.) **One** of the two Provincial Agricultural Officers already in Orissa can be the Personal Assistant to the Development Commissioner.

The existing office Establishment of the Assistant Director of Agriculture in Orissa consists of 3 Clerks and 5 peons. A small additional staff will also be necessary for the head of the Department. We estimate this at 3 clerks and a peon. This staff together with the existing clerks of the Agricultural and Veterinary departments in Orissa will suffice for both departments. No additional staff is therefore proposed for the Veterinary Department. The **extra** cost on this account is estimated at 0-05.

161. Orissa at present shares with Bihar the services of the Agricultural Engineer, the Economic Botanist and the Agricultural Engineer. On separation, Orissa could probably arrange locally for the services of a Chemist and Botanist at the Ravenshaw College at a probable total cost of 0-03 including special pay to each of them, travelling allowance and other incidental charges. It may also perhaps be feasible to arrange for well-boring operations either through the local staff of the Public Health Department or of the Orissa School of Engineering at a cost of 0-02. The extra cost on account of the expert staff may therefore be put at 0-05.

162. There are no facilities for higher or primary education in Agriculture in this province; but two scholaships are generally awarded tenable at the Nagpur College for a degree course at that University. In 1929-30, two more scholarships at the Cawnpore Agricultural College were also awarded. The establishment of an Agricultural College in Bihar is under consideration but perhaps will not materialise for some years owing to the lack of money. The new province will therefore have to rely on the present system of granting scholarships in other Universities for this branch of higher education. Orissa will probably award one scholarship every year at a cost of 0-01 in the first year, and 0*03 ultimately, assuming a 3 years course.

163. A somewhat notable event in the development of Agricultural research in recent years is the establishment, in pursuance of the recommendations of the Royal Commission on Agriculture, of a provincial Research Committee in each province to co-operate with the Imperial Council of Agricultural Research. **After** separation, Orissa may have to create a corresponding Provincial Council of its own. The cost of such a Council consisting of the Development Commissioner, Deputy Director of Agriculture and 3 non-officials will, however, it is estimated, be almost negligible, especially if the meeting of the council **are** held at the time of the Legislative Council meetings.

164. We may thus put the cost of separation (excluding the appointment of Development Commissioner) at 0-13 for the Agricultural Department:—

(I) Ministerial staff	.. ..	0-05
(II) Expert staff	.. ..	0-05
(III) Agricultural Education	.. ..	0.03
(IV) Provincial Research Council	.. ..	..
	Total ..	**0.13**

165. *Veterinary Department—The* Civil Veterinary Department in Bihar and Orissa is managed by one Director, 3 Assistant Directors (Provincial Service) each in charge of a Range. The Orissa Range consists of the 5 Districts of that Division and 3 Districts of Chota Nagpur Division. On separation, the three latter districts will probably be amalgamated with the other two divisions of Bihar and some reduction can thus be made in the cost of the department in the Orissa Division proper. The highest officer of the department at Cuttack is the Range Officer with a staff of:—

2 Staff Veterinary Assistant Surgeons,
4 Reserve Veterinary Assistant Surgeons,
1 Laboratory Assistant,
3 Clerks, and
6 Peons.

On separation, the work of the Range Officer will be somewhat reduced, and he can therefore surrender :—

1 Staff Veterinary Assistant Surgeon,
2 Reserve Veterinary Assistant Surgeons,

involving a *saving* of 003. At present there are also two inspectors who supervise the work of the Assistant Surgeons in Cuttack, Balasore, Puri and Angul and a third for Sambalpur, Manbhum, Ranchi and Singhbhum. Sambalpur could probably be added to the charge of the two Orissa inspectors. There will therefore be no extra cost here.

It should not be necessary to strengthen the clerical staff. With the three Chota Nagpur Districts added to Bihar Ranges, there will be some reduction in the clerical work in the office of the Range Officer at Cuttack and we have provided for 3 more clerks in our proposal for the Agricultural Department.

166. There are no facilities for Veterinary instruction in Orissa and the new Government will have to make arrangements for such instruction either at the recently started Veterinary College at Patna or at Belgachia. The actual number of students of Orissa at the Patna College in 1930-31 was 4 and in 1931-1932 was also 4. Allowing for casualties and gradual expansion, Orissa could probably on the average absorb each year one Veterinary Assistant Surgeon. As the course (it is only a diploma course at present) at the Patna College is of 3 years, provision will have to be made for an average of 3 students at a cost of Rs. 500 per student or Rs. 1,500 per annum.

167. The above proposals for Agriculture and Veterinary instruction do not provide for post-graduate special training in such subjects as in Animal Husbandry, Cattle Breeding, Dairy Farming for which also some arrangement must be made. There is a dairy farm at Cuttack with a herd of about 100 animals. Another Rs. 1,500 may be added on this account.

168. The total cost of Veterinary instruction is therefore 0.03, and the cost of separation for the Veterinary Department is *nil*:—

		Rs.
Scholarships	.. ..	**1,500**
Special training	.. ..	**1,500**
Total	..	**3,000**
***Deduct*—Reduction in Veterinary staff**	.. .. ..	**—3,000**
Net cost	..	***Nil.***

The present Range Officer at Cuttack will also be the Personal Assistant to the Development Commissioner.

169. *Co-operative Credit*—Besides the Registrar of Co-operative Societies who directs the activities of this department in the whole Province, the superior **staff** employed in Orissa consists at present of:—

1 Deputy Registrar (Rs. 1,000—40—1,200).

3 Assistant Registrars (of whom one is also in charge of Singhbum District—139 Societies).

The Deputy Registrar's jurisdiction extends also over the Ranchi Circle comprising the 3 districts of Hazaribagh, Ranchi and Manbhum and over Singhbhum.

170. The following table compares the work of the Department in the whole province and in Orissa:—

	Whole province.	Orissa.
Co-operative Societies	**10,404**	**2,236**
Unions and Banks .. .. ., ..	**67**	**13**

Roughly, therefore, Orissa has about a quarter of the co-operative institutions of the whole province.

After separation, therefore, the Deputy Registrar will be relieved of some work in connection with the three districts of the Ranchi circle and the Singhbhum district of the Sambalpur circle. On the other hand, unless it is decided to appoint a separate Registrar, his office work will increase to about the same extent in consequence of the work now done at head office at Patna (correspondence with the local Government, heads of departments, preparation of annual reports, maintenance of statistical information) which will devolve upon him.

171. The Registrar under the Co-operative Societies Act is vested with some statutory powers. A statutory Registrar is therefore necessary and we think that the most convenient course will be to appoint as Registrar the Development Commissioner who will also be head of the Agricultural* Veterinary and Industries departments.

He will require—

(i) A Personal Assistant, and

(ii) Headquarters staff.

(i) The Deputy Registrar at Cuttack can be the Personal Assistant; but he need not be of the status of the present Deputy Registrar (Rs. 1,000—40—1,200) but only a senior Deputy Collector (700—^{6}/—850) with the usual special pay of Rs. 100 per mensem. There will therefore be a saving of Rs. 2,100 per annum at the rate of Rs. 175 per mensem.

(ii) The clerical establishment of the Deputy Registrar at Cuttack consists of 7 clerks who will be relieved of some work after separation when the 4 districts in charge of the present Deputy Registrar are taken over by Bihar. No addition to the staff is, therefore, necessary. The cost of separation on this account is accordingly *nil.*

172. The only difficulties anticipated in separating Orissa, so far as the Co-operative department are concerned are in connection with the Provincial Bank and the Co-operative Federation. These two institutions have at present jurisdiction over the whole of Bihar and Orissa. It is understood that the total investments of the provincial Bank in Orissa Banks exceed Rs. 5 lakhs in loans and are about Rs. 75,000 in cash credits. While it may be thought that these investments are not of such magnitude as to justify the separate organisation of a Provincial Bank, there are also certain other factors which may render it undesirable that the existing provincial Bank in Bihar should continue to finance the Orissa Banks. These difficulties will be accentuated if the Prvincial Bank at Patna has to rely more and more on the local Government for strengthening its fluid resources or for floating long term loans. Politics and political patriotism may also largely influence the co-operative banks and for these reasons it would seem preferable that Orissa should start its own provincial Bank with the support of its own local Government, rather than depend on the provincial Bank at Patna for its co-operative needs,.

173. The present functions of the co-operative federation are to have all Banks and Societis audited, to carry on propaganda and development work and to run two training institutions—one at Sabour and the other at Cuttack. The Sabour institute provides for higher courses of training of Managers, Assistants, local Auditors, inspecting and bank Clerks while the one at Cuttack is a secondary institute imparting training to local auditors and inspecting and bank clerks only. The arguments which justify the creation of a separate provincial bank for Orissa apply also to the Federation. If however a separate Federation were started for Orissa, it would be difficult to keep its expenditure within its own resources as will be seen from the following figures:—

Expenditure.

	Rs.		
Audit	**69,800**		
Development	**5,800**		
Training	**8,300**		
Total ..	**73,900**		
Overhead charges of a Central Federation office	**7,390**	**(81,290) say**	**81,300**

Resources.

	Rs.		
Contributions from central.			
Central Banks, Unions and Co-operative Societies	**36,500**		
Development	**8,100**		
Training	**5,200**		
***Add* what may be considered as Orissa's share of Government subsidy**	**13,800**	**63,600**	
Deficit			17,700

This deficit the new Government will have to make good to the new Federation in addition to continuing the present share o| the subsidy pertaining to *Orissa*. The extra cost of separation on this account may therefore be put at Rs. 17,700 + Rs. 13,800 = Rs. 31,500 or say 0.32.

174. The cost of separation in the Co-operative Department may therefore be put at 0- 30 thus:—

Subsidy to Co-operative Federation	0.32
Deduct-Savings in the appointment of a Deputy Registrar ..	—0. 02
	0-30

175. The cost of separation for all departments (excluding the pay of Development Commissioner) thus comes to 0.43 as follows :—

Agricultural Department	0.13
Veterinary Department	..
Co-operative Department	0.30
	0.43

C.—*Expansion.*

176. *Agriculture.*—The activities of this department have been limited to conducting experimental farms of which there are a sufficient number in Orissa to serve its normal needs. No expansion of this department is anticipated in the near future.

Veterinary.—Besides general supervision the activities of this department are largely conducted thjough the agency of District Boards and Municipalities. The expansion of the activities of this department therefore depends in a large measure on the capacity of local bodies to contribute to Government 5 6ths of the cost of stationary Veterinary Assistants and | the cost of Touring Veterinary Surgeons lent to them, in addition to the cost of maintaining Veterinary Hospitals and Dispensaries. It is unlikely that the subordinate staff will increase to any considerable extent and the possibilities of expansion are therefore slight except in the Feudatory States of Orissa which will bear the whole cost debitable to them. The cost of expansion of this department may therefore be taken as *nil.*

Co-operative Credit.—There is undoubtedly scope for expansion in this Department but it is impossible to forecast how rapidly this will proceed. And in any case for some years after separation the task of the new Government will be to provide for the people the services which they enjoyed under the present Bihar and Orissa Government—e.g.,the Co-operative Federation and Co-operative Provincial Bank. The question however is so intimately connected with the cost of separation that we have preferred to deal with it under that head. Expansion may therefore be taken as *nil.*

(2) VIZAGAPATAM.

A.—*Basic figure.*

177. *Agriculture.*—Expenditure on agriculture in the Jeypore **Agency** is ***nil.***

Veterinary.—There are 2 touring officers and **one** hospital tinder Government management.

The expenditure in recent years was :—

	Koraput Touring officers.	Hospitals.
1927-28	0.01	..
1028-29	0-01	(236)
1929-30	0-01	0-01
total ..	003	0-01
Average ..	0-01	0-01

Total average is 0.02 to which must be added the establishment charges of the Touring officer at Gunupur which are estimated at 0.01. This office **was** recently started. There are no past actuals.

Co-operative Department—There are 18 Co·operative Societies in the Jeypore Agency, of which 9 are Taluk societies each of which is concerned with the whole Taluk. Till 30th June 1928, there was a Deputy Registrar controlling the co-operative movement in the plains of Godavari, Ganjam and Vizaga-Sktam and for the agency area of these districts there was an Extra Sub-Deputy egistrar. . On 30th June 1928, the Deputy Registrar was relieved of the plains area of Godavari and on 5th August 1930 he was also relieved of Ganjam plains area. On 1st March 1932, the office of the Extra Sub-Deputy Registrar was also abolished and for the whole of the Vizagapatam Agency tracts there is now only one Inspector and a peon working under the direction of the Deputy Registrar, Vizagapatam. The Inspector, if his headquarters is in Agency tracts, is eligible for the Agency allowance of Rs. 15 (at present he does not draw it as his headquarters is in plains). The actual expenditure of the Inspector was :—

1927-28	0·01
1928-29	0·01
1929-30	0-01
	0.03

The average is 0 . 01 to which must be added the pay of his peon, the agency allowance, contingent expenditure, etc. This is estimated at 0'01.

178. The basic expenditure is thus 0 . 05 which may be accepted.

B.—*Cost of separation.*

179. Cost of separation will be *nil* as the Inspector will work under the sub-registrar at Berhampur. Expansion is *nil.*

(3) GANJAM.

A.—*Basic figure.*

180. *Agricultural* expenditure was :—

1927-28	0.04
1928-29	0-07
1929-30	0-06
Total ..	0·17

Average is 0·06.

Veterinary Department,—There are 4 Touring Officers and 2 Hospitals. Expenditure was as follows:—

	Hospitals.	Touring Veterinary Assistants.	Sera and Vaccine.	Total.
1927-28	0-05	0-04	0-02	0-11
1928-29	0-06	0-04	0-10	0-21
1929-30	0-05	0-04	0-01	0-10
				0-42

The average is 0*14 which may be adopted.

Co-operative Department.—There are altogether 696 institutions in the district of which about 160 will remain in Madras. They are at present supervised by a Deputy Registrar who will be necessary after separation. On account of recent changes in administration, the past actuals do not give a correct estimate of future expenditure. The actual expenditure in 1928-29 is the normal figure apart from an increase in staff sanctioned in 1929-30 and subsequent years. The future expenditure may be calculated as follows :—

Expenditure in 1928-29	0-20
Provision for subsequent increase in staff and other incidental charges	0-08
	0-28

As however about 160 societies will remain in Madras—representing the work of three inspectors and one clerk, 0.04 should be deducted to arrive at the basic expenditure of 0.24.

181. Total basic expenditure under this head of account may be taken as follows :—

Agriculture	0.06
•Veterinary	0-14
Co-operative	0-24
	0-44
Expansion	*Nil.*
Cost of separation	*Nil*

Summary.

182.

(1) ORISSA.

Basic expenditure	2-43
Cost of separation	0-43
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure	0.05
Cost of separation	..
Expansion	..

(3) GANJAM.

Basic expenditure	0·44
Cost of separation	..
Expansion	..
Total basic expenditure ..	2·92
Total expansion ..	Nil.
Total cost of separation ..	0·43

35.—INDUSTRIES.

(1) ORISSA.

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
Direction	1·04	..	1·04	..	1·11	..
Technical Education.						
College of Engineering at Patna	2·06	..	2·09	..	2·27	..
Orissa School of Engineering, Orissa	1·07	1·07	0·81	0·81	0·81	0·81
Industrial and Technical Schools	1·14	0·05	1·08	0·07	1·14	0·07
Other expenditure ..	1·35	0·08	1·34	0·11	1·37	0·17
Industrial Developments						
Circle officers	0·17	..	0·20	..	0·20	..
Cottage Industries Institute	0·77	..	1·64	..	0·99	..
Bhagalpur Silk Institute	0·12	..	0·50	..	0·51	..
Sericulture	0·06	0·01	0·07	0·01	0·09	0·01
Weaving Demonstrations	0·41	0·08	0·42	0·10	0·43	0·12
Industrial Experiments ..	0·06	..	0·08	..	0·02	..
Demonstrations and Experimental Factories ..	0·03	..	0·09	..	1·34	..
Dyeing Demonstrations	0·02	(383)	0·02	0·01	0·04	0·01
Dobby classes	0·02	..	0·02	..	0·02	..
Fisheries	0·09	..	0·11	0·01	0·11	0·02
Stores, English.. ..	..	..	..	..	0·01	..
Expenditure in England..	0·35	..	0·45	..	0·61	..
Total ..	8·76	1·29	9·96	1·12	11·07	1·21

A.—*Basic figure.*

183. The average of Orissa's expenditure is 1.21 which may be accepted as the normal expenditure. To this, however, 0-01 must be added representing **the** amount of an average of 4 stipends which are annually awarded to **Oriya boys for** training in various industrial schools, such as dyeing, and textile designing, in Bihar. Orissa is not concerned with expenditure in England.

Basic expenditure 1.22

B.—*Cost of separation.*

184. Orissa shares with, tharest of the province the services of the Director of Industries, the Textile Expert, the Industrial Engineer (post at present kept in abeyance), the Superintendent of Fisheries and the Intelligence Officer who are all attached to the head office at Patna. There is also a Circle Officer at Bhagalpur who is in charge of the whole Orissa Division and six other districts of Bihar and Chota Nagpur.

185. After separation, Orissa will not require a separate Director of Industries and the Development Commissioner in charge of Agriculture, Co-operative and Veterinary Departments can also be the Head of the Industries Department. He will, however, require as Personal Assistant an expert in some of the subjects ; whose pay may be estimated at Rs. 350—50—750. The following abstract shows the proposed staff and other incidental expenses:—

	Rs.
3 Clerks	2,620
2 Peons	300
Allowance	660
Contingencies	420
	4,000
Add cost of Personal Assistant	6,000
Total ..	10,000 or 0-10

There is already a District Fishery Officer now in Puri District (Rs. 100—5—150).

Orissa cannot afford to maintain a College of Engineering. There are at present on the average 10 Orissa students studying at the Patna College. If seats are reserved at Patna College, a contribution of Rs. 11,000 will have to be paid to Bihar annually.

It may also be necessary, in view of Orissa's vast mineral resources, to award a few stipends at the School of Mines, Dhanbad, at a cost of Rs. 1,000.

186. The total cost of separation thus comes to 0.24 as below :—

Headquarters staff	0-10
Reservation of seats at the College of Engineering ..	0-11
District Fisheries Officer	0-02
Stipends	0-01
	0-24

C.—*Expansion.*

187. A good deal of *Eri* is grown in Orissa and administrative approval has already been given to the establishment of a cottage industries institute at Cuttack at a cost of 0-13 non-recurring and 0.58 recurring. The total cost, of expansion may therefore be put at 0-60 of which about 0.34 will come out of receipts.

There are very few factories in the Jeypore Agency and the work of inspection may be allotted to the Sub-divisional or Taluk officers. The expenditure on this account is also *nil*

As regards steam boiler inspection, there are about ten steam rollers of the Public Works Department in the Agency area which have to be inspected every year. As proposed for in the case of Orissa division, the work may be made over to the Bengal Boiler Commissioner who would be responsible for-all expenditure in connection therewith and take all fees. There is, therefore, no expenditure.

Basic expenditure is actually Rs. 331 and we put it at 0-01 including future expansion.

B.—*Cost of separation.*

195. The cost of separation is clearly *nil.*

(3) GANJAM.

A.—*Basic figure.*

196. The only direct expenditure under this head in the past year has been on account of examination charges. The charges for the whole district were:—

1927-28	0·04
1928-29 .. ,.	0-04
1929-30	0·05
	0·13

which gives an average of 0-04 for the whole district of which two-thirds or 0.03 must be debited to the area to be transferred. Since 1930-31, the charges on account of the inspection of motor vehicles are also debited to this head of account. The expenditure on this account on the average is 0.04. The basic figure comes, therefore, to 0* 07. Cost of separation is *nil* as also expansion.

Summary.

197.

(1) ORISSA.

Basic expenditure	0.06
Cost of separation	0.03
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure .. .. .. ,, ..	0.01
Cost of separation	..
Expansion	..

(3) GANJAM.

Basic expenditure . .. .,	0.07
Cost of separation	..
Expansion	..
Total basic expenditure ..	0.14
Total cost of separation ..	0.03
Total expansion	..

41.—CIVIL WORKS.

(1) ORISSA.

Items.		1927-28.	1928-29.	1929-30.	Average.
Original works	..	5·47	3·57	5·20	4·75
Repairs	..	3·44	3·94	4·70	4·03
Grants-in-aid	..	1·26	1·59	1·61	1·49
Suspense	..	0·01	0·02	—0·07	—0·01
Total	..	10·18	9·12	11·44	10·26

A.—Basic figure.

198. The average is 10*26. But it does not include establishment and tools and plant charges. Establishment and tools and plant charges in the Public Works Department are, when possible, booked against the specific work to which they relate. But there is a large residue which cannot be directly allocated to any particular work and is generally at the end of the year distributed *pro-rata* by each circle on the basis of actual expenditure on original works and repairs. The Public Works Department in Bihar and Orissa is at present divided into Irrigation and Roads and Buildings Branches with separate Chief Engineers and Superintending Circles and Executive Divisions. At present, there are six executive divisions, namely, the Mahanadi, Puri and Balasore divisions which form the Orissa Canals Circle under a Superintending Engineer in the Irrigation Branch and the Cuttack, Angul and Sambalpur Divisions in the Chota Nagpur Circle of the Roads and Buildings Branch. The Sambalpur Division comprises the Sambalpur district of Orissa and also the Singhbhum district. After separation, the latter district will have to be included in some other division of the Chota Nagpur Circle. Recently partly as a measure of retrenchment and partly in view of the decreasing returns from the Orissa Canals Project (which is an unproductive concern), it has been decided to maintain only two irrigation divisions in Orissa. As no large constructive programme is contemplated, the two branches can after separation be amalgamated into one department and the establishment of the future Public Works Department in Orissa will then, so far as can be foreseen, consist of:—

(a) 1 Chief Engineer and Secretary to Government, Public Works Department.

(b) 5 Executive Divisions—

(i) Mahanadi, *(ii)* Puri, *(iii)* Cuttack, *(iv)* Sambalpur (including. Angul) and *(v)* Orissa Canals Revenue Divisions.

Of this, the cost of *(b)* alone will enter into our basic figures, *(a)* forming part of the cost of separation. It is estimated that the establishment charges of the five divisions will be as follows :—

Mahanadi Division	..	1•48
Puri Division	..	1-09
Cuttack and Sambalpur Divisions	..	1-75
Orissa Canals Revenue Division	..	0-80
Total Establishment charges	..	5. 12

199. The rateable tools and plant charges referable to Orissa have been as follows:—

Head of account.	1927-28.	1928-29.	1929-30.
XIII. Irrigation—Working Expenses	0·15	0·15	0·36
15. Miscellaneous Irrigation Expenditure	0·10	0·07	0·11
16. Construction of Irrigation Works	..	..	(69)
41. Civil Works	0·17	0·22	0·13
Total Tools and Plant Charges ..	0·42	0·44	0·60

The average is 0-49 for tools and plant charges.

200. The basic expenditure under this head is therefore :—

Original works	4·75
Repairs	4·03
Establishment (rateable)	5·12
Tools and Plant (rateable)	0·49
Grants-in-aid	1·49
Suspense	—0·01
Basic figure total ..	15·87

B.—*Cost of separation.*

201. In a larger province than that which we propose, the Public Works Department would have required two Chief Engineers and also Superintending Engineers. But we are satisfied that Orissa will not need more than a single Chief Engineer, who will also, following the practice in other provinces, be Secretary to Government for this Department. A Chief Engineer with the necessary staff will cost 0.76.

202. It is also necessary to provide for the work now done by the Electrical Engineer and Inspector and the Inspector of Lightning Conductors. Orissa oan economically arrange for this work by agreeing to pay to Bihar 0. 12.

203. As shown in the note under '22-General Administration' it is estimated that the new Government will have to incur some capital expenditure on headquarters buildings. Another item is the Secretariat Press. Calculated at one per cent, on their capital cost of 31 • 00, an addition must be made of 0-31 under ' Maintenance and repairs ' to cover the cost of maintenance of the new Secretariat and other buildings directly necessitated by separation.

204. The total extra cost involved under this head on account of separation is 1-19 thus :—

Chief Engineer and his staff	0·76
Electrical Engineer, etc.	0·12
Maintenance charges of new buildings	0·31
Total ..	1·19

(2) VIZAGAPATAM.

A.—*Basic figure.*

205. Expenditure on original works and maintenance and repairs:—

		1927-28.	1928-29.	1929-30.
Rayagadda and Gunupur sub-divisions	..	0·55	1·29	1·72
Koraput division	..	3·38	3·34	5·98
Total	..	3·93	4·63	7·70

The expenditure in 1929-30 was abnormal as large expenditure was incurred in that and subsequent years on new buildings, fresh communications and heavy special repairs to existing roads. This was also the case to some extent in 1928-29 ; but as these buildings and roads constructed in that and subsequent years also entail annual expenditure on maintenance and repairs, part of the abnormal expenditure of a non-recurring nature contained in the expenditure figure of 1928-29 may be regarded as the equivalent of the cost of maintenance and we may take as our basic figure the average of the first two years, namely, 4'28.

206. On account of recent changes in the Public Works Department establishments in this area, the actuals of 1927-28 and 1928-29 do not give an accurate idea of basic expenditure on this account. The actuals of the Koraput Division in 1929-30 and 1930-31 were 1 • 13 and 1 • 32 respectively or an average of 1 • 23. There is, however, a saving of 0• 25 in consequence of the abolition of the Malkangiri and Kolab sub-divisions which is counterbalanced by the additional charge of 0*27 for establishment transferred from the Vizagapatam and the Narsapatam Division. The net additional charge being thus 0*02, the basic expenditure may be put at 1 • 25.

The total basic expenditure of the whole division is calculated thus :—

Works expenditure	..	4*28
Establishment charges .. .. .«	..	1-25
Total	..	5-53

B.—*Cost of separation.*

207. As shown in the detailed note under ' 22-General Administration % it is estimated that the new Government will have to incur some capital expenditure on headquarters buildings. Calculated at 1 per cent, on their capital cost of 3 • 87, an addition must be made of 0• 04 to cover the cost of maintenance, of the buildings. The cost of separation is, therefore, 0*04.

C.—*Expansion.*

208. The Government have also under contemplation a somewhat large programme of expenditure on roads and communications estimated to cost after 1932-33, a sum of 6.00. If this programme is spread over a period of 10 years, the new Government need not borrow the necessary funds, but there will be for the first 10 years an annual expenditure of 0*60, to be met from revenue. The maintenance charges will rise gradually to a total of 0*30, and we may assume an average during the 10 years of 0*10. The cost of expansion will thus be 0'70.

(3). GANJAM.

209. In 1929.30, a Ganjam Agency Division was created for construction work in that area. It has now been abolished and the work is in charge of the Executive Engineer at Berhampur. In the plais, the construction, maintenance and repairs of roads are carried out by the District Board and in the Agency by the Government. The District Board annually gets a subsidy from Government. The expenditure in previous years on construction, maintenance and repair of buildings and roads carried out through Government Agency was as follows:—

1927.28	.. ..	1.56
1928.29	.. ..	2.37
1929.30	.. ..	1.77
	Total ..	5.69

In 1929.30, there was also an expenditure of 3.50 for the construction of a bridge on the Rishikulya river (since completed) and 1•18 on buildings in the Ganjam Agency Division. These two items have been omitted from the above actuals. The average is 1.90.

The roads maintained by the Board in the whole district were 842 miles for which a subsidy averaging 3. 70 was given. The length of the roads in the portion of the district which is to go to the new province being about 550, the proportionate share of the subsidy is 2.47. This should be added to the average 1•90 of other Government expenditure.

210. The establishment charges of the whole Division (excluding Agency Division charges) have been as follows :—

1927.28	.. ..	1.02
1928.29	.. ..	1.17
1929.30	.. ..	1.21
	Total ..	3.40

The average is 1.13 from which must be deducted 0·26 being the average charges of that portion of the district which will remain in Madras. The cost of establishment may be taken at 0.87.

211! We have taken 1.90 as the average expenditure on works and repairs. Four per cent, of 1 . 90 or 0. 08 may be taken as tools and plant charges.

212. The basic expenditure under civil works is calculated as follows:—

Works and repairs	.. ..	1.90
Grants.in.aid	.. ..	2.47
Establishment charges	.. ..	0.87
Tools and plant	.. ..	0.08
	Total ..	5.32

No additional expenditure is anticipated as a result either of separation or of expansion.

Summary.

213.

(1) ORISSA.

Basic expenditure	15·87
Coot of separation	1·19
Expansion	..

(2) VIZAGAPATAM.

Basic expenditure	5·53
Cost of separation	0·04
Expansion	0·70

(3) GANJAM.

Basic expenditure	5·32
Cost of separation	..
Expansion	..
Total basic expenditure ..	26·72
Total cost of separation ..	1·23
Total expansion ..	0·70

43.—FAMINE RELIEF.

(1) ORISSA.

214. Expenditure on the relief of distress caused *by* famine in previc **years** in the whole province and in Orissa Division has been :—

Year.	Whole province.	Orissa.
1921.22	0·43	0·09
1922.23	..	..
1923.24	0·86	..
1024.25	..	..
1925.26	0·15	0·03
1926.27	0·56	0·52
1927.28	1·73	1·63
1928.29	0·06	0·06
1929.30	0·02	0·02
1930.31	(253)	(253)
Total ..	3·81	2·35

215. The share of Orissa has thus been two.thirds of the expenditure in, the whole province. As the prescribed minimum balance in the Bihar and Orissa Famine Relief Fund is 15.00, we think that Orissa" should maintain a corresponding fund of its own with a minimum balance of 10.00 and so long as this amount is not reached, Orissa should make an annual assignment from its revenues of 1.00.

216. When the fund was reconstituted the Bihar and Orissa Government **were** required under the rules to make an annual assignment of 3.00 to the **fund** until it reached 15.00. Neither the annual assignment nor the accumulated fund up to 15 .00 may be spent on any purpose except the relief of

famine ; but the surplus above 15 .00 may be spent on protective irrigation works, loans to cultivators or to repay advances from the Provincial Loans Fund. The balance in the Fund on the 31st of March of each of the following years was :—

1928.29	.,	..	..	..	.,	..	**58.65**
1929.30	..	..	..	..	..	,.	**42.58**
1930.81	..	..	,.	..	..	..	**46.85**

Most probably the Fund will amount at the end of 1932.33 to 26.00. As **the Fund** has been jointly built up by the resources of Bihar and Orissa, **Orissa on** separation should receive 5.20 of the balance as an asset. In the past, **the** Bihar and Orissa Government had borrowed from this Fund about 34.00 in order to make advances through the Provincial Loans Account, to cultivators, etc., and the portion referable to Orissa of the borrowings from the Famine Fund should be repaid to the Famine Fund of Orissa.

(2) VIZAGAPATAM.

217. There was practically no expenditure on the direct relief of famine distress during the ten years 1921.22 to 1930.31. (The total amount was **less than Rs.** 100). But this does not indicate that the area is or would ever **be** absolutely famine.proof as the term is now understood. The new Government ought, therefore, to maintain a fund of 1.00 for this district by an **annual assignment** of 0.10 from its revenues.

(2) GANJAM.

218. It is reported that famines varying in intensity recur about once in 10 years. The most severe famine was in 1919.20 when about 39.00 were spent either in the form of gratuitous relief or on relief works. Fortunately there was practically no famine during the ten years 1921.22 to 1930.31. During this period only 0.25 (of which 0.23 was incurred in 1924.25) were spent. The actuals of the last ten years are not, therefore, a safe guide for estimating the amount required for a Famine Relief Fund. There is, however, no reason to expect that future famines will be so severe as that of 1919.20. We think that if a Fund were required for this district alone, it should not **be** less than 5.00 and that, therefore, for the portion of the district which it is proposed to transfer to the Orissa province a fund of 3 • 00 should be provided and until the balance in the fund reaches this sum, 0.30 should be set apart annually from revenues as famine assignment.

219. For the portions of the two districts of Vizagapatam and Ganjam which are to go to the new province, the minimum amount in the Fund should **be** 4.00 and the annual assignment 0.40. The basic figure is thus 0.40.

220. The Madras Famine Relief Fund stood at 37.30 on 1st April 1928 and it is estimated that it will rise to 57 • 96 on 31st March 1933. As this balance has been built up by the joint resources of the whole presidency, **we** think that the Orissa Government should on separation receive 1.16.

221. On the above basis for the whole province, the minimum balance in the Orissa Famine Relief Fund would be 14.00 ; the initial contributions **from** the Bihar and Orissa and Madras Funds 6.36 ; **and till** the **minimum balance is reached, the annual assignment** 1.40.

222. *Summary.*

(1) OEISSA.

Basic expenditure	.. ..	1·00
Cost of separation	.. ..	..
Expansion	.. ..	..

(2) VIZAGAPATAM.

Basic expenditure	.. ..	0·10
Cost of separation	.. ..	..
Expansion	.. ..	..

(3) GANJAM.

Basic expenditure	.. .. ..	0·30
Cost of separation	.. .. ..	..
Expansion	.. .. ..	..

Total basic expenditure	..	1·40
Total cost of separation	..	..
Total expansion	..	..

45.—PENSIONS.

(1) ORISSA.

223. The pension bill of the whole province and the payments of this directly through the Orissa treasuries have been :—

Items.	1927-28. Whole Province.	1927-28. Orissa.	1928-29. Whole Province.	1928-29. Orissa.	1929-30. Whole Province.	1929-30. Orissa.
A. Superannuation and retired allowances	19·79	2·75	21·26	3·02	22·28	3·19
B. Compassionate allowances ..	0·06	(337)	0·07	0·01	0·10	0·01
C. Equated payment of commuted value of pensions	0·23	..	0·23	..	0·23	..
D. Passage gratuities	0·02	..	0·04	..	..	..
E. Compassionate and other gratuities	0·25	0·03	0·17	0·02	0·16	0·03
F. Pensions for distinguished and meritorious services	(90)	..	(100)	..	(130)	..
G. Donations to Provident Fund	0·15	..	0·09	..	0·12	..
H. Expenditure in England ..	6·11	..	5·98	..	7·08	..
I. *Deduct*—Pension charges debitable to Irrigation	—1·43	..	—1·64	..	—1·75	..
J. Commutation of pensions financed from ordinary revenues ..	—1·45	..	0·08	..	2·25	..
K. Commuted value of pensions ..	—0·12	..	—0·12	..	—0·13	..
L. Deduct—amounts recovered from other Governments	..	..	..	..	—0·13	..
Total ..	23·61	2·78	27·16	3·05	30·23	3·23

224. We are concerned with only the following sub.heads :—

A. Superannuation and Retired Allowances, B. Compassionate Allowances, E. Compassionate and other gratuities and H. Expenditure in England. Orissa is not concerned with the sub.heads D. Passage gratuities, P. Pensions for distinguished and meritorious services, G. Donations to Provident Fund and L. JJeduct amounts recovered from other Governments. The other sub.heads C. Equated payment of commuted value of pensions, J. Commutation of pensions financed from ordinary revenues and K. Commuted value of pensions are dealt with separately. The remaining sub.head I. Deduct Pension charges debitable to Irrigation represents only a book adjustment whereby the Irrigation heads XIII. Irrigation Working Expenses, 15.Miscellaneous Irrigation and 16.Construction of Irrigation Works discharge their pensionary liabilities towards their Government servants by paying to this head 45. Pensions a percentage (14 p. c.) of their actual establishment charges. As we have not taken this expenditure into account when discussing the irrigation heads, the expenditure may be taken gross under this head.

225. The average expenditure in Orissa under B. Compassionate allowances and E. Compassionate an4 other gratuities is 0.03 which may be accepted as basic expenditure under these heads.

226. As regards ' Pensions ' proper (sub.heads concerned here are A and H), the ultimate pensionary liability of Orissa may be divided into three parts, namely :.••.

(a) Liability for pensions already earned by joint service in the whole province of Bihar and Orissa. This will be the only liability to which Orissa will be subject on the actual date of separation.

(6) Liability for pensions which will have been partly earned by joint service on the date of separation.

(c) Liability for the pensions of recruits who join after the date of separation.

Each of the three classes of liability requires consideration on different lines,

227. Dealing first with pensions already earned the following table gives the total expenditure incurred in the province as a whole on pensionary charges divisible between the two partners during the triennium ending 1929.30 and the amount actually disbursed in the form of pensions from Orissa Treasuries during the same period.

	1927.28.	1928.29.	1929.30.
Total divisible liability	25.90	27.24	29.36
Paidin Orissa	.2.75	3.02	3.19

The amounts paid in Orissa are, of course, no criterion of the amount of the pensions earned in that division, as they exclude pensions drawn in England and those elsewhere than in Orissa. It will be seen that the liability for pensions is steadily growing. The total pension bill of the province has been growing at an average rate of 1.75 per annum, while the pensions drawn in Orissa have been correspondingly rising at an average rate of 0.22 per annum.

Assuming that these rates of growth will continue for the next 16 years, when the position will be stabilised, the total pension bill will then have risen to B7.36 and the amount payable in Orissa to 6.71.

228. The fairest method of dealing with pensions already earned is in our view to distribute them in the proportion which the cost of pensionable establishment in Orissa bears to the cost of pensionable establishment in the Province. On this basis, to Orissa must be attributed 16 per cent, of the divisible liability for earned pensions.

229. Assuming 1933.34 as the first year after separation, the bill for pensions earned before that date will have risen to 36 • 36 and the amount drawn from Orissa to 4' 07. The liability will decrease as pensioners die off. It may be assumed for our purpose that the decrease will be a linear one and that the liability will be extinguished in 15 years. Actually it may be that the decrease will not be a linear one ; and that the period is of the order of 10 ; but the errors in the two assumptions will cancel each other.

230. The following table shows the liability in each year, the share, taken at 16 per cent, of Orissa in that liability, the amount likely to be drawn in Orissa Treasuries, the residues which will be drawn either in Bihar, England or elsewhere and the capitalised value of such residue on the date of separation.

Year.	Total liability.	Share of Orissa.	Drawn in Orissa.	Residue (column 3—column 4)	Present value at 6 per cent. of residue on 1-4-1933.
1	2	3	4	5	6
1933.$4	36·4	5·8	4·1	1·7	1·7
1934.35	33·9	5·4	3·8	1·6	1·5
1935.36	31·5	5·0	3·5	1·5	1·3
1936.37	29·1	4·7	3·2	1·5	1·2
1937.38	26·7	4·3	2·9	1·4	1·1
1938.39	24·3	3·9	2·6	1·3	1·0
1939.40	21·8	3·5	2·4	1·	10·8
1940.41	19·4	3·1	2·0	1·1	0·7
1941.42	17·0	2·7	1·7	1·0	0·6
1942.43	14·5	2·3	1·4	0·9	0·5
1943.44	12·1	1·9	1·1	0·8	0·4
1944.45	9·7	1·5	0·8	0·7	0·4
1945.46	7·3	1·1	0·5	0·6	0·3
1946.47	4·8	0·8	0·4	0·4	0·2
1947.48	2·4	0·4	0·1	0·3	0·1
Total capitalised value of residues on 1st April 1933.					**11·8**

231. The sum of 11.8 therefore indicates the liability of Orissa in respect of pensions earned prior to the date of separation which the new Government has to pay to Bihar in a lump sum in order to enable the latter to meet that share of the pensions bill drawn elsewhere than in Orissa which is properly debitable to Orissa. Orissa will in addition continue to make the payments shown in column 4.

232. As regards the distribution of part.earned pensions, assuming that the average length of service required for pension is thirty years. it follows that for thirty years after separation, all pensionary charges paid will be in respect pf pensions either fully or partly earned by service on the date of separation. The probable growth of the pension bill as a whole and of the payments through Orissa treasuries would be 59.1 and 6.8 respectively. The amounts under both heads which may be considered as fully earned pensions are given in columns 2 and 4 in the above table. The following table which gives the difference, worked out year by year represents the amount which can be attributed to part.earnted pensions.

Year.	Total for Province.			Payment from Orissa treasuries.					
	Total liability.	Fully earned pensions.	Part earned, pensions (Column 2r. Column 3).	Orissa's share of part earned pensions (16%).	Total.	Fully earned pensions.	Part earned pensions (Column 6.Column 7).	Residue of Orissa's share of part earned pensions (Column 5—Column 8).	Present value of residue on 1st April 1933 at 6%.
1	2	3	4	5	6	7	8	9	10
1933-34 ..	36·4	36·4	..	..	4·1	4·1	..	..	..
1934-35 ..	38·1	33·9	4·2	0·7	4·3	3·8	0·5	0·2	0·2
1935-36 ..	39·9	31·5	8·4	1·3	4·5	3·5	1·0	0·3	0·3
1936-37 ..	41·6	29·1	12·5	2·0	4·7	3·2	1·5	0·5	0·4
1937-38 ..	43·4	26·7	16·7	2·7	4·9	2·9	2·0	0·7	0·6
1938-39 ..	45·1	24·3	20·8	3·3	5·2	2·6	2·6	0·7	0·5
1939-40 ..	46·9	21·8	25·1	4·0	5·4	2·4	3·0	1·0	0·7
1940-41 ..	48·6	19·4	29·2	4·7	5·6	2·0	3·6	1·1	0·7
1941-42 ..	50·4	17·0	33·4	5·3	5·8	1·7	4·1	1·2	0·8
1942-42 ..	52·1	14·5	37·6	6·0	6·0	1·4	4·6	1·4	0·8
1943-44 ..	53·9	12·1	41·8	6·7	6·2	1·1	5·1	1·6	0·9
1944-45 ..	55·6	9·7	45·9	7·3	6·4	0·8	5·6	1·7	0·9
1945-46 ..	57·4	7·3	50·1	8·0	6·6	0·5	6·1	1·9	1·0
1946-47 ..	59·1	4·8	54·3	8·7	6·8	0·4	6·4	2·3	1·1
1947-48 ..	59·1	2·4	56·7	9·1	6·8	0·1	6·7	2·4	1·1
1948-49 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	1·2
1949-50 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	1·1
1950-51 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	1·0
1951-52 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·9
1952-53 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·9
1953-54 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·8
1954-55 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·8
1955-56 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·8
1956-57 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·7
1957-58 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·7
1958-59 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·6
1959-60 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·6
1960-61 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·6
1961-62 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·5
1962-63 ..	59·1	..	59·1	9·5	6·8	..	6·8	2·7	0·5
Total capitalised value of residue on 1st April 1933.									21.7

233. The amount is *nil* in the first year and rises gradually up to the 16th year when the pension bill will be stabilised, and by which date the whole bill will relate to pensions partly earned on the date of separation, all those who were previously drawing pensions having died off. In respect of this class of pension, Orissa will have to meet. the amounts shown in column 8 of the statement as drawn from Orissa Treasuries and to pay to Bihar, on the date of separation, a lump sum of the order of 21.7 in order to enable Bihar to meet that $hare of the bill for pensions partly earned on that date which is drawn elsewhere than in Orissa but which is properly debitable to Orissa.

234. Thus Orissa on the date of separation will have to pay to residual Bihar a sum of 33.5 on acc3unt of pensionary charges maturing elsewhere than in Orissa. Orissa may raise a loan to liquidate this indebtedness. If such a loan were also made repayable in 30 equated instalments of principal and interest the annual provision required for the purpose would be 2.4.

235. After the expiry of thirty years to which the statement relates, the question of shared pensions will not arise, Orissa will then have to meet the whole bill for the pensions of officers recruited after the date of separation ; on the assumptions already made this will amount to 6.8 payable from Orissa treasuries and 2 • 7 payable elsewhere, *i.e.*, 9. 5 in all. In addition to the above two items Orissa is also liable for a payment of 0.03 annually on account of compassionate allowances, gratuities, etc.

236. The total of Orissa's pensionary liabilities are shown in the table below.

Year.	Payment from Orissa Treasuries. Fully earned pensions,	Part earned pensions,	Pensions earned entirely after date of separa. tion,	Repayment of debt on account of pensions paid elsewhere than in Orissa.	Payment of pen. sions earned entirely after date of separa-tion and paid elsewhere than in Orissa.	Compas. sionate allowances, gratuities, etc.	TotaL
1933-34 ..	4·1	..	..	2·4	..	0·03	6·53
1934-35 ..	3·8	0·5	..	2·4	..	0·03	6·73
1935-36 ..	3·5	1·0	..	2·4	..	0·03	6·93
1936-37 ..	3·2	1·5	..	2·4	..	0·03	7·13
1937-38 ..	2·9	2·0	..	2·4	..	0·03	7·33
1938-39 ..	2·6	2·6	..	2·4	..	0·03	7·63
1939-40 ..	2·4	3·0	..	2·4	..	0·03	7·83
1940-41 ..	2·0	3·6	..	2·4	..	0·03	8·13
1941-42 ..	1·7	4·1	..	2·4	..	0·03	8·23
1942-43 ..	1·4	4·6	..	2·4	..	0·03	8·43
1943-44 ..	1·1	5·1	..	2·4	..	0·03	8·63
1944-45 ..	0·8	5·6	..	2·4	..	0·03	8·83
1945-46 ..	0·5	6·1	..	2·4	..	0·03	9·03
1946-47 ..	0·4	6·4	..	2·4	..	0·03	9·23
1947-48 ..	0·1	6·7	..	2·4	..	0·03	9·23

Year.	Payment from Orissa Treasuries. Fully oarned pensions,	Part earned pensions,	Pensions earned entirely after date of separa. tion,	Repayment of debt on account of pensions paid elsewhere than in Orissa.	Payment of pen. sions earned entirely after date of separa- tion and paid elsewhere than in Orissa.	Compas. sionate allowances, gratuities, etc.	Total.
1948-49 ..	..	6·8	..	2·4	..	0·03	9·23
1949-50 ..	..	6·8	..	2·4	..	0·03	9·23
1950-51 ..	..	6·8	..	2·4	..	0·03	9·23
1951-52 ..	..	6·8	..	2·4	..	0·03	9·23
1952-53 ..	..	6·8	..	2·4	..	0·03	9·23
1953-54 ..	..	6·8	..	2·4	..	0·03	9·23
1954-55 ..	..	6·8	..	2·4	..	0·03	9·23
1955-56 ..	..	6·8	..	2·4	..	0·03	9·23
1956-57 ..	..	6·8	..	2·4	..	0·03	9·23
1957-58 ..	..	6·8	..	2·4	..	0·03	9·23
1958-59 ..	..	6·8	..	2·4	..	0·03	9·23
1959-60 ..	..	6·8	..	2·4	..	0·03	9·23
1960-61 ..	..	6·8	..	2·4	..	0·03	9·23
1961-62 ..	..	6·8	..	2·4	..	0·03	9·23
1962-63 ..		6·8	..	2·4	..	0·03	9·23
1963-64 .. and after.	..	..	6·8	..	2·7	0·03	9·53

23?. The question of pensions is, it will be seen, an extremely complicated one and the above table gives only a very approximate estimate of what we regard as Orissa's liability in this respect; there are not sufficient acturial data for an exact calculation. Not only the pensions of officers who have already retired but also the part.earned pensions of those still in service have had to be taken into consideration and it was also necessary to differentiate between pensions drawn in Orissa and elsewhere. For all these factors, in the absence of acturial data a number of assumptions had to be made. As a result of the best analysis which we have been able to make, it appears that Orissa's pensionary liability may be discharged by the payment of all future pensions drawn from its own treasuries and of a lumpsum of the order of 33.5 to the. Government of Bihar on the date of separation, in consideration of which that Government will assume all responsibility for the pensions of all officers borne on the joint cadre whether already retired before, or still in service on, the date of separation, which are drawn elsewhere than in Orissa.

238. That the above figures will undergo considerable modification under a full acturial analysis, there is no doubt; but it seems to us that they are of the correct order of magnitude. For the present we may take 6 • 53 as the basic figure ; subsequent increases leading to 9.53 in 1963.64 represent expansion of expenditure and also in some sense cost of separation.

(2) VIZAGAPATAM.

239. Direct disbursements from the Agency taluks have been :—

1928.29	0·13
1929.20	0.13
1930.31	0.14
Total ..	0.40

The average is 0.13 as against the average for the whole district of 2.13. The direct expenditure represents only a very small part of the actual pensionary liability incurred by actual service in the Agency tracts. Owing to the general backwardness of the area a very large percentage of Government servants have to be recruited from the plains and after retirement draw pensions elsewhere than in the Agency taluks. The data are however too inadequate to enable us to estimate the total pensionary liability of the Jeypore Agency tracts which will be considered along with that of Ganjam District.

(3) GANJAM.

240. Direct disbursements from the area which will go to the new province have been as follows :—

1927.28	0.91
1928.29	0.96
1929.30	0.98
	2.85

Average is 0 • 95 as against the average for the whole district of 1 • 47. For reasons given elsewhere the direct expenditure is a small portion of the total pensionary liability of the area concerned.

241. Taking the figures for the two. districts of Vizagapatam and Ganjam and on the line adopted for calculating the pensionary liability of the Orissa Division (the details of which need not be set down here) we find that the basic figure for the two districts in the initial year will be 7.44 and that the liability will increase to 10.16 in 1963.64. We assume that the share of the portions of the two districts which will be taken away from the Madras Presidency will be one.half of the whole, *i.e.,* 3 .72 and 5• 08, respectively.

Summary.

242.

(1) ORISSA,

Basic expenditure	6·53
Cost of separation	..
Expansion	3·00 (in 30 years).

(2) VIZAGAPATAM AND GANJAM.

Basic expenditure	3·72
Cost of separation	..
Expansion	1·36 (in 30 years).
Total basic expenditure ..	10·25
Total cost of separation ..	..
Total expansion ..	4·36 (in 30 years).

XLVI.—STATIONERY AND PRINTING.

(1) ORISSA.

Items.	1927.28. Whole Province.	1927.28. Orissa.	1928.29. Whole Province.	1928.29. Orissa.	1929.30. Whole Province.	1929.30. Orissa.
A.—Government Presses.						
A..1.—Bihar and Orissa Secretariat Press.	3·54	..	3·30	..	3·45	..
A..2.—Gaya Jail Press ..	2·71	..	2·24	..	3·22	..
B.—Stationery Offices ..	0·06	..	0·07	..	0·06	..
C.—Printing work done at Central Press for Provincial Government.	(117)	..	(136)	..	(156)	..
D.—Purchase of Stationery Stores.	1·24	..	1·31	..	1·12	..
E.—Purchase of Plain paper to be used with Stamps.	..	..	..	..	0·44	..
F.—Discount on Plain paper.	..	..	..	..	0·09	..
G.—English Stores ..	1·13	..	1·19	..	0·76	..
H.—Expenditure in England.	0·07	..	0·11	..	0·07	..
Total ..	8·75	..	8·22	..	9·21	..

A.—*Basic figure.*

243. Orissa is not concerned with this expenditure, the whole of which was spent in connection with the Government presses and stationery office in Bihar. The Superintendent of Stationery had, however, supplied to Orissa Office plain paper tojbhe value of 0« 20 in the last three years. The basic expentoure may therefore be taken at 0.20.

B,—*Cost of separation.*

244. After separation, the new province will have to make some arrangements for printing work, for forms, and for stationery. It would also be more convenient to have a separate Secretariat press at Cuttack than to depend upon presses of another Government for the printing which will have to be carried out for the Government. The Gulzarbagh Press is three days journey from Cuttack. It will also be more economical in the long run to have a separate press. On the other hand, a separate Forms Press in Orissa is neither necessary nor economical. It would be more convenient and at the same time more economical to have forms supplied from the Gaya Jail Press. This arrangement would mean a recurring annual expenditure of 0 . 55 against 0 • 70 recurring and 1.51 non.recurring for a separate Forms Press for Orissa.

The cost of running the Secretariat Press would be 1 • 90 per annum.

245. The new Government will also require a Stationery office. If it were attached to the Secretariat Press as a branch thereof the cost of stafi would be 0.06 and there would be an initial expenditure of 0. 80 and a recurring charge of 0.35 for the purchase of Stationery stores. The total cost of separation is therefore :

Secretariat Press	.. ..	1•90
Stationery Office	.. ..	0.06
Payment to Bihar for supply of forms	.. .. ..	0.55
Purchase of stationery including packing charges..	..	0.38
Total	..	2.89

Expansion is *nil*

246. *Capital expenditure.*—If as proposed above, a Secretariat Press alone is established, the new Government will have to incur some capital outlay as follows;—

Cost of a building	.. ..	3.00
Plant and Machinery ..	.. ..	2•00
Customs duty, freight and incidental charges	.. ..	0.50
Total	..	5.50

This will be charged to capital and be discharged in 30 annual equated payments at 6 per cent, which will necessitate an addition of 0.40 under the heads 19.Interest and 21.Reduction of Debt.

(2) VIZAGAPATAM.

A.—*Basic figure.*

247. There is no expenditure directly referable to the Vizagaptam area which it is proposed to transfer to the new province. The Superintendent of Stationery supplies stationery and forms free to the officers actually working in the area. Under the system of accounts maintained by the Superintendent

of Stationery individual indents are not priced. The cost of stationery and forms supplied to a particular officer or to a particular district is not therefore available. For the purposes of the Administration Report, however, the issues are valued at the end of every year for each department. The cost of supplies thus arrived at is—

1927.28	..	10.57
1928.20	...	11.16
1929.30	.	12.44
	Total ..	34.17

The average issues for the whole province are therefore 11.39 and for one district would be 0.44; one.tenth of this or 0.04 may therefore be debited to Vizagapatam Agency, Basic expenditure may be taken as 0.04. Both expansion and cost of separation are *nil.*

(3) GAN JAM.

A.—*Basic figure.*

248. There is a Collectorate Press at Chatrapur. The direct expenditure on that account waB in—

1927.28	..	0.03
1928.29	..	0.03
1929.30	.	0.03

or an average of 0. 03. Paper appears to have been supplied free to the Press, and the cost may be put at 0.01. The Superintendent of Stationery, Madras, also supplied stationery and forms free to District and other officers. This is estimated at 0.44 ; two.thirds of this or 0.29 must be debited to the accounts of the portion of Ganjam which will go to the new province. The basic expenditure comes therefore to 0.33. Both expansion and cast of separation are *nil.*

Summary.

249.

(1) ORISSA.

Basic expenditure	..	0·20
Cost of separation	..	2·80
Expansion	..	..

(2) VIZAGAPATAM.

Basic expenditure	..	0·04
Cost of separation	..	..
Expansion	..	..

(3) GANJAM.

Basic expenditure	..	..	..	..	..	0·33
Cost of separation	..	..	..	..	..	..
Expansion ,.	..	..	..	..	..	..

Total basio expenditure	..	0·57
Total expansion	..	Nil.
Total cost of separation	..	2·89

XLVII.—MISCELLANEOUS.

(1) ORISSA.

Items.	1927.28. Whole Province.	1927.28. Orissa.	1928.29. Whole Province.	1928.29. Orissa.	1929.30. Whole Province.	1929.30. Orissa.
Cost of books and periodicals.	0·10	..	0·12	..	0·14	..
Donations for Charitable purposes.	0·02	0·01	0·01	(104)	0·02	0·01
T. A. to non.officials attending Durbars.	..	..	(85)	(85)	(208)	..
Contributions	0·51	0·22	0·66	0·40	0·60	0·40
European Vagrants ..	(161)	(5)	(209)	(10)	(189)	(28)
Training of I. C. S. candidates.	0·06	..	..	..	..	..
Circuit Houses ..	0·23	0·10	0·20	0·04	0·26	..
Khedda charges ..	0·12	0·12	0·11	0·11	0·08	0·08
Miscellaneous establishment.	(340)	..	(326)	..	(316)	..
Secretariat Building establishment.	0·11	..	0·10	..	0·10	..
Eewards for destruction of wild animals.	0·08	0·03	0·09	0·03	0·07	0·08
Irrecoverable loaas written off.	(283)	..	(464)	..	(15)	..
Durbar presents to Vakils	0·01	..	0·01	..	0·01	..
Miscellaneous unforeseen charges.	0·11	..	2·70	(125)	0·70	..
Miscellaneous Durbar charges.	0·02	0·01	0·01	..	0·01	..
Treatment at Pasteur Institute.	0·01	(14)	0·10	0·03	0·01	0·02
Special Commission of Enquiry.	0·01	..	0·02	0·01	0·04	(224)
Cost of passages ..	..	..	0·03	..	..	..
	1·38	0·49	4·16	0·62	2·04	0·54

A.—Basic figure.

250. The average expenditure in Orissa is 0 . 55 to which must be added the «ost of books and periodicals which is estimated at **0.03. Total 0.58 which may be accepted. No additional** expenditure is anticipated **either** as cost of **separation** or expansion.

(2) VIZAGAPATAM.

A.—*Basic figure.*

251. Expenditure was as follows :—

1927.28	.. ..	0.02
1928.29	.. ..	0·02
1929.30	.. ..	0.02
1930.31	.. ..	0.01
	Total ..	0.07

The average is 0.02. The expenditure represents mainly rewards for the **destruction** of wild animals. A sum of 0.24 is also paid to the Agency **local board** annually for general miscellaneous purposes. It is not included in **the** above figures as the subsidy is actually paid to the Agency Board at Vizagapatam. This subsidy will probably have to be continued in future years also **as the** Agency board has not got large surplus funds at its disposal. The basic expenditure is therefore:—

Average	.. ..	0.02
Subsidy to Agency Board	.. ,.	0.24
	Total ..	0.26

252. Both expansion and cost of separation are *nil.*

(3) GANJAM.

253. Disbursements of miscellaneous nature were :—

1927.28	.. ..	0·01
1928.29	. . . .	0.02
1929.30	.. ..	0.02
	Total ..	0.05

or an average of 0 . 02 which may be taken.

Expansion and cost of separation are *nil.*

Summary.

254.

(1) ORISSA.

Basic expenditure	.. ..	0.58
Cost of separation	.. ..	..
Expansion	.. ..	..

(2) IflZAaAPATAM.

Basic expenditure	..	..	..	..	..	0·26
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

(3) GANJAM.

Basic expenditure	..	..	..	..	..	0·02
Cost of separation	..	..	..	..	..	..
Expansion ..	..	..	..	..	..	..

Total Basic expenditure	..	0·86
Total cost of separation	..	..
Total expansion	..	..

XIX & XXI.—INTEREST AND REDUCTION OF DEBT.

A.—*Basicfigure.*

(1) ORISSA.

255. The probable total debt of the Government of Bihar and Orissa on 31st March 1933 and the portions of it which are referable to the new province are as follows :—

Items.			Bihar and Orissa's balance of debt on 31st March 1931.	Share of Orissa,
(a) Pre.Reform Irrigation Debt	..	..	598·69	265·00
(6) Post.Reform advances	.. ..	..	32·00	..
(c) Borrowings from the Famine Fund ..		..	16·67	3·33
Total		..	647·36	268·33

256. Referring to the column 'Share of Orissa', item *(a)* is the actual pre.Reform Irrigation Debt incurred on the Orissa Canals Project on which interest only is payable to the Government of India. According to our view stated in Chapter II, Orissa should be responsible for it. Item *(b)* has no reference to Orissa. Item (c) represents the balance of debt contracted in order to finance the Provincial Loans Account. This account shows on the one hand the advances to cultivators, local bodies, etc., by the Provincial Governments and on the other hand the repayments of such loans and advances. A fair way of distributing.this debt between the provinces and Orissa is to allocate to Orissa its share in proportion to the net revenue realised under the principal heads of revenue in Orissa and in the whole province. On this basis of calculation, Orissa would be liable for 20 per cent, of 16.67 or 3.33 of the debt of Bihar and Orissa towards Famine Relief Fund. The new Government **may**

liquidate this liability at 5 per cent, repayable in ten equated instalments of 0.43. This amount, together with 8.50 being the interest due to the Government of India on account of the Orissa Canals Project, will form the basic figure of 8« 93 under this head.

257. The question here arises to whose Famine Fund should the loan be repaid. Orissa must be held to have contributed its quota to the joint fund before separation and it is taking over its share of the debt. The amount of repayment should, therefore, in our view, be credited to the Famine Fund of Orissa.

(2) VIZAGAPATAM AND GANJAM.

258. The total debt of the Government of Madras on 31st March 1931 and the portion of it which is referable to the Vizagapatam and Gan j am areas which are proposed for transfer to the Orissa province were as follows :—

Items.	Balance of debt on 31st March 1931.	Share of new province on account of Vizagapatam and Ganjam.
(a) Pre.Reform Irrigation Debt	875·26	47·07
(6) Pre.Reform Provincial Loan Account Debt ..	14·86	..
(c) For productive purposes—		
(i) To cover revenue deficits	36·38	0·73
(n) Loans and advances by Provincial Governments	112·67	2·25
(ttt) Irrigation Works and Hydro.electric schemes ..	22·36	0·30
(iv) Civil Works and Commercial concerns ..	24·82	2·97
(v) Cauvery Mettur Project	465·95	..
Total ..	1,552·30	53·32

259. Item *(a)* is the capital outlay incurred by the Government of India before the Reforms on Irrigation Works in the Madras Presidency. The amount of 47.07 is the debt concerning the Rishikulya Irrigation Project. As in the case of Orissa Canals Project Orissa should be responsible for this after separation and be liable to the Government of India for the annual payment of interest thereon from its revenues.

260. Item *(b)* need not be considered as it will have been paid off before 1st April1933 which we assume is the date of separation.

261. As regards items (c) *(i)* and (c) *(it)*, they are not directly referable to the areas of Vizagapatam and Ganjam which are proposed to be transferred to the new province. The former is the balance of debt incurred by the Government of Madras to cover revenue deficits in the years 1921.22, 1922.23 and 1924.25 and the latter the balance of loans taken in order to finance the transactions of the Provincial Loans Account. We think that in both these cases Orissa should take over 2 per cent, of the balance of liabilities on the date of separation, that being the percentage which the two areas of Ganjam and

Vizagapatam contribute to the joint revenues of Madras under the principal heads of revenue. As regards the revenue deficit, it is clear that the new province is liable for a proportionate share and the basis on which we proposed to calculate its share, seems to be the fairest that can be adopted. And as Orissa is taking over the assets (in the form of sums outstanding) of the Provincial Loans Account, it must also take over its share of the liabilities.

262. Item (c) *(Hi)* could have been exactly allocated between Madras and Orissa according to the amount actually spent in Gan j am but for the fact that the Post.Reform Irrigation outlay of the whole presidency does not exactly agree with the amount borrowed to finance the outlay as the following table will show:—

Total amount borrowed	113 • 33
Expenditure incurred in the whole presidency	135.56

It will be seen that the amount of loan money has been supplemented by the addition of funds from the general revenues in order to cover the capital outlay incurred in excess of the amount borrowed. We think that a fair way to allocate the debt liabilities attached to Irrigation Works is to distribute the balance of debt of each year in proportion to the amount spent in the whole province and in the areas concerned. The actual amount borrowed being 113.33, the expenditure in the whole presidency (excluding the outlay on the Cauvery Mettur Project for which specific loans were raised) and in Ganjam area being 135.56 and 2.74 respectively, the share of the balance of post. Reform Irrigation Debt on 31st March 1931 debitable to Orissa on the above basis is 0.30.

263. Item (c) *(iv)* refers to expenditure under '60.Civil Works' with which we are not concerned and on Russelkonda Saw Mill and other commercial concerns. We are concerned only with the Saw Mill.

264. In 1920, the Madras Government sanctioned the erection of a Saw Mill at Russelkonda for dealing with timber extracted from the Government forests of Ghurasur. The entire capital was invested by Government and the whole cost of running the concern was also borne by the Government. The Mill worked from April 1922 to 30th June 1928. By the end of 1927, all the forests which were financially accessible from Russelkonda had been worked out. It was then realised that if the concern were to be charged the full cost of felling and delivery of timber from 1928 onwards the rate would be so high that the concern would work at a loss. The Government, therefore, approved the proposal to close the Mills on 1st July 1928 and to wind up the concern. The Government of Madras have recently accepted the offer of Rs. 25,000 from a merchant for the entire Saw Mill machinery at Russelkonda and the buildings except those allotted to the Public Works Department. Practically, therefore, there are no assets on the spot to be taken over by the new province. Our view in this case is that though there are no corresponding assets now Orissa should take over the balance of the debt referable to the Saw Mill. Of the total amount invested in the concern, the initial expenditure on the erection of the Mills and the machinery was met by the Government of Madras from revenues either allotted by the Government of India before the Reforms (in regard to which the Madras Government did not take over any liability)

or from its own revenues, in subsequent years except two items of 4.37 in 1924.25 and 0 • 13 in 1925.26 in which years alone the Government had borrowed money to finance their capital outlay on forests. The latter has been complete. ly repaid and the amount of 2 • 97 shown in the last column represents the proportionate liability outstanding on 31st March 1931 in respect of 4. 37 borrowed in 1924.25. Item *(c) (v)* has no reference to Orissa.

265. Of the amounts referable to Orissa outstanding on 31st March 1931, the Government of Madras will have already repaid a part before 1st April 1933. On that date Orissa's share of debts to be taken over from Madras will be as in the following table.

Items.	Balance of debt on 31st March 1931.	Balance of debt on 31st March 1932.
(a) Pre.Reform Irrigation debt	47·07	47·07
(b) Loan taken—		
(i) to cover revenue deficits	0·73	0·59
(II) to finance Provincial Advance and Loan Account	2·25	2·14
(iii) Irrigation works and Hydro.electric schemes ..	0·30	0·28
(iv) Civil Works and Commercial concerns ..	2·97	2·85
Total ..	53·32	52·93

266. As item (a) is not repayable, the only debt liability is the annual payment of interest amounting to 1.57. This leaves a debt balance of 5'86 which the new Government can borrow at 6 per cent, as a fresh loan from the Government of India in order to liquidate its liability towards the Madras Government and repay the Government of India in 50 equated instalments of 0.37.

267. The basic figure of interest and repayment of debt on account of Vizagapatam and Ganjam areas is, therefore, 1.94.

B.—*Cost of separation.*

268. As stated in the note under ' 22.General Administration' and ' 46.Stationery and Printing \ the New Government will have to incur 37.37 for the construction of the new Secretariat and connected buildings and the Secretariat Press. The new Government need not borrow the whole amount in the first year of separation. Probably, the programme will be completed in four years and funds will be borrowed according to requirements. Assuming that 13.00 will be required in the first year, 9.87 in the second, 7.50 and 7.00 in the third and fourth years respectively, and that the loan will be repaid at 6 per cent, in 30 equated instalments, the debt liability in the initial year of separation will be 0.33 and thereafter it will grow gradually to 3.01 in the fifth and subsequent years. We have taken 0 • 33 only as the cost of separation and subsequent increases in debt charge is treated as growth of expenditure.

&—Expansion.

269. There is no doubt that there wttl be expansion under debt charged i due to the programme of capital expenditure which it will be necessary for Orissa to undertake after separation. The estimated expenditure in each year and the resulting charge for interest and repayment of debt are given separately in Appendix V which deals with the growth of expenditure year by year. The main items of capital expenditure so far as we can see are summarised here.

(a) For capital outlay on forests, as explained in the note on ' 52.A. Capital Outlay on Forests ', 0.30 will probably be spent annually in each of the first four years.

(b) Funds required to finance the Provincial Loans Account of the new Government are estimated at 0«20 in each of the first four years after separation. If the new Government therefore borrow this amount and make it repayable in 30 equated instalments of 0» 04, the charge on the revenue in the initial year will be 0.01 and will rise to 0. 16 in the fifth and subsequent years.

Summary.

270. (1) ORISSA.

Basic figure	8·93
(2) VIZAGAPATAM AND GANJAM.	
Basic figure	1·94
Total cost of separation ..	0·33
Total Expansion ..	0·01

LII.A.—CAPITAL OUTLAY ON FORESTS.

(1) ORISSA.

Items.	1927-28.	1928-29.	1929-30.
Forest Surveys	..	(306)	..
Communication and buildings and Forest Railways ..	0·41	0·46	0·31
Livestock, stores, tools and plant	0·03	0·07	0·05
Organisation, improvement and extension of forests	0·04	0·05	0·08
Suspense	(50)	..	..
Total ..	0·48	0·58	0·44

A.—Basicfigure.

271. The average is 0«50 but in view of the fact that one of the Orissa Forest Divisions is proposed to be abolished, we think that in future years, the capital expenditure will be somewhat lower than the average indicates. j^We adopt 0.24 as basic expenditure. The Bihar and Orissa Government has met oapital expenditure on Forests all through from current revenues and consequently there is no debt liability which the n&w province will have to assume on

this account. It is, howeve:, likely that the Orissa Government may find it necessary for some years to finance the capital operations of this department from borrowed funds.

(2) VIZAGAPATAM.

272. Expenditure is *nil*.

(3) GANJAM.

A.—Basic figure.

273. The expenditure in the last five years was :—

1926.27	006
1927.28	003
1928.29	006
1929.30	006
1930.31	0.08
Total	0.29

The average is 0'06 which may be accepted as basic figure. We, therefore, put the expenditure on this account during the first four years at 0.30 to be met from loan funds. Only the cost of the payments for liquidating the debt will then be charged to revenue. Thereafter any additional oapital outlay will be counter.balanced by or met from corresponding additional rev enue.

FINANCIAL.

APPENDIX III.

(1) Basic revenue o| Orissa is 101.69 *(vide* Appendix I).

(2) Basic expenditure of Orissa is 99.89 *(vide* Appendix II).

(3) *Consequential changes in expenditure in Bihar.*

(1) *High Court.*

Assuming that Orissa will not have a separate High Court but will contribute a proportionate share of the cost of the Patna High Court, Bihar will gain by the amount of this contribution. The amount of contribution has been taken to be 8 per cent, of ten lakhs of rupees *(vide* Note on Administration of Justice in Appendix II). The amoimt by which Bihar's present expenditure on High Court will be reduced will thus be 80,000. **—80,000**

(2) *Secretariat Staff of the Chief Secretary's Department.*

It is estimated that the Chief Secretary's staff can be reduced by altogether five assistants.

—6,000 Net reduction roughly will be Es. 6,000 per annum.

(3) *Police Department.*

(a) Railway Police.—Vox Railway Police, Orissa will be required to pay to Bihar a total contribution of about Rs. 45,000. As against this, Orissa .s share of the Railway contribution to Bihar has been estimated to be Rs. 11,000 per annum. Since, however, this amount has been included in the basic revenue of Orissa under ' Police \ it is not necessary to set it off again against the estimated gross amount of contribution of Orissa. For our purposes, therefore, the amount' of reduction in Bihar's expenditure may here be taken at Rs, 45,000. —45,000

(6) *Criminal Investigation Department.*—It has been estimated that Bihar will be able to reduce its staff by.

1 Inspector on Rs. 175—25/3—250 (average pay Rs. 215).

2 Sub.Inspectors on Rs. 80—10/5—130 each (average pay Rs. 104).

2 Constables on Rs. 15—1—20 (average pay Rs. 17.8.0).

—5,496 Reduction Rs. 5,496 per annum.

(c) Police training.—For training of officers **and** constables' in Bihar institutions, Orissa will pay to
"13,000 Bihar a contribution of Rs. 13,000.

Total reduction under ' Police ' therefore amounts to Rs. 63,496.

FINANCE DEPARTMENT.

(a) Stationery and Printing.—For the printing at Gaya of the new Government's forms, Bihar will require a contribution of Rs. 55,000. This will reduce Bihar's cost under ' Sationery and Printing.'

The cost of the establishment at the Gulzarbagh Press can be reduced by Rs. 26,000 and the cost of contingencies, stores, etc., of the same Press by Rs. 50,000.

Total reduction in Bihar's expenditure under this
,31,000 head, therefore, is Rs. 1,31,000.

(b) Local Audit Department.—If a separate Accounts and Audit Office were established in Orissa, the present local audit department of Bihar could be reduced by one assistant and the staff of auditors by two auditors and one assistant. The reduction in cost would be about Rs. 5,500. If a separate audit office is not considered necessary, the saving to Bihar would be much larger, *viz.*, Rs. 20,000. We cannot, however, assume, on the information at present available, a larger saving
.6,500 than Rs. 5,500.

REVENUE.COMMERCE DEPARTMENT.

(a) Secretariat Staff.—One upper division assistant, one lower division assistant, one typist and one peon
4,Q00 can be reduced. The saving will be Rs. 4,000.

(6) *Board of Revenue.*—The staff can be reduced by one assistant on Rs. 200, one on Rs. 100—5—150, one on Rs. 75, one on Rs. 60, a typist on Rs. 70—3—100 and two peons on Rs. 14 and 13 respectively.

—7.080 Reduction Rs. 7,080.

(c) Director of Land Records and Surveys.—The staff in Bihar will be reduced by one assistant on Rs. 125—5—150, two assistants on Rs. 75—5—100, one assistant on Rs. 45—4—65 and one assistant on Rs. 40—3—70.

—C,172 Reduction Rs. 5,172.

Orissa's contribution towards a joint Survey Office will be Rs. 14,000.

.14,000 Reduction, Rs. 14,000,

(d) Forests.—Considerable reductions can be made in the administrative staff, namely.—

One extra Assistant Conservator on Rs. 350.

One Accountant on Rs. 200 in the grade of Rs. 150—10—200.

One Clerk on Rs. 100 in the grade of Rs. 75—5—100.

One clerk on Rs. 75 in the grade of Rs. 55—4—75.

One clerk on Rs. 43 in the grade of Rs. 40—3—55.

One Draftsman on Rs. 63 in the grade of Rs. 55—4—75.

One Deputy Conservator on Rs. 800, special pay Rs. 250.

One Extra Assistant Conservator on Rs. 300, special pay Rs. 50.

One Ranger on Rs. 125.

One Deputy Ranger on Rs. 55.

Two Clerks on Rs. 60 each.

One Range clerk on Rs. 32 in the grade of Rs. 30—2/2—40.

Three peons in the grade of Rs. 10—1/5—14 each.

One Forest Engineer, pay Rs. 1,000, Overseas, pay £30.

One Clerk on Rs. 40.

Two peons in the grade of Rs. 10—1/5—14 each.

Total reduction under 'Forests' amounts to
•47,500 Rs. 47,500.

Orissa will also contribute Rs. 4,000 on account of
—4,000 technical advice.

(e) Miscellaneous Departments.—For inspection of Factories, Orissa will have to pay a contribution of
.3,000 Rs. 3,000 to Bihar.

LOCAL SELF-GOVERNMENT DEPARTMENT.

(a) Medical.—Under 'Grants for Medical purposes', Orissa will have to contribute to Bihar a sum of Rs. 3,000 for expenditure in connection with Medical Examination Board, Council of Medical Registration, etc., etc.

Orissa will also have to pay **a contribution of about Rs**. 45,000 for the use of the Medical College at **Patna** and a sum of about Rs. 26,000 as contribution to the Indian Mental Hospital. Her share of the present provincial contribution to the Board of Trustees of Ranchi Mental Hospital for Europeans will probably amount to Rs. 5,000.

—79,000 Net reduction Rs. 79,000.

(6) *Public Health.*—Orissa will have to pay a total contribution of Rs. 8,000 to Bihar for the following institutions :—

Sanitary Inspector's class.

Public Health Laboratory.

Bacteriological Laboratory.

Pasteur Institutes.

—8,000 Reduction Rs. 8,000.

(c) *Superintendence.*—A reduction of a clerk in the Excise Commissioner's Office will be possible ; and may be taken at Rs. 1,000. Further, for the training of Excise cadets in Bihar institutions, Orissa will have to
—5,000 pay a contribution of Rs. 4,000 annually.

EDUCATION AND DEVELOPMENT DEPARTMENT.

(a) Secretariat.—It will be possible to reduce the staff by two assistants, one on Rs. 150 and the other on Rs. 55 ; a typist on Rs. 40—3—70 and a peon or two.

—3,300 Reduction Rs. 3,300.

(6) *Department of Pvblic Instruction.*—The clerical staff of the Director's office can be reduced by four posts and the menial staff by one post.

Reduction Rs. 3,950.

In addition, Orissa wili have to pay a contribution of Rs. 4,000 as its share of the expenditure on the Reformatory School, Hazaribagli.

Orissa will also have to pay a contribution of about Rs. 1,000 to the Sanskrit Association ; also a contribution of about Rs. 2,000 to the Boy Scouts Association.

Total reduction in Bihar's expenditure under this
~~N»n950 head, therefore, is Rs. 10,950.

(c) Co.operative Department.—There will no^ only be no reduction in overhead charges of Bihar but there will actually be some increase as even after the separation of Orissa the post of Deputy Registrar (present head.

quarters at Cuttack) will have to be retained in Bihar along with his staff. This means an addition of a post on Rs. 1,000—40—1,200 and the following staff :—

1 Head Assistant on	Rs. 125—10—175
1 Assistant on	Rs. 100—5—125
2 Assistants on	Rs. 75—5—100 each.
2 Assistants on	Rs. 45—4—65 each.
1 Assistant on	Rs. 35—2—45

+21,348 Increase in expenditure Rs. 21,348.

(d) Civil Veterinary Department.—No reduction of establishment will be feasible in the headquarters office of the Director, Civil Veterinary Department. For seats reserved in the Bihar Veterinary College, however, Orissa will have to pay a contribution of

—1,500 Rs. 1,500 per annum to Bihar.

(e) Registration Department.—It will be possible to get rid of one assistant from the office of the Inspector. General of Registration on Rs. 45—4—65.

—660 Reduction about Rs. 660.

(*f*) *Industries Department.*—The clerical staff of the Director's office can be reduced by two assistants, one on Rs. 75—5—100 and the other on Rs. 60—3—75, and a typist on Rs. 40—3—70.

Orissa will also have to pay a contribution of about Rs. 11,000 per annum for reserving seats for Oriya students in the Bihar College of Engineering.

—13,520 Total reduction Rs. 13,520.

(g) Agricultural Department.—The clerical staff of the Director's office can be reduced by three posts of clerks, one on Rs. 150—10..200, another on Rs. 55—4—75 and another on Rs. 40—3—55. It will also be possible to get rid of a peon on Rs. 13.

—3,600 Reduction Rs. 3,600.

(h) Scientific Departments.—Reduction in head quarters expenditure is *nil.*

JUDICIAL DEPARTMENT.

Secretariat.—It will be possible to give up one Secretariat assistant on Rs. 90 from the Bihar and Orissa Judicial Department and an Upper Division Assistant from the Bihar and Orissa Legislative Department. No other reduction is possible.

—3,600 Net reduction, therefore, is Rs. 3,500.

PUBLIC WORKS DEPARTMENT.

There are independent proposals for combining the Irrigation and Roads and Buildings branches of the Department, but these are not consequential on the separation of Orissa. Orissa, however, will pay a contribution of Rs. 12,000 to Bihar for Electrical Engineering and Inspection work.

—12,000 Reduction Rs. 12,000.

LEGISLATIVE COUNCIL.

The present strength of the Legislative Council can be reduced by 10 seats which are allotted to the Orissa Division. There will be a consequential saving in travelling allowances and contingencies which may be taken at Rs. 6,000. —6,000

Grand Total. —4,96,430 or 4·96

The sum total of (2) and (3) above amounts to 104.85. Bihar, therefore, stands to gain 104.85 — 101.69 or 3.16 by its separation from Orissa.

FINANCIAL.

APPENDIX IV.

(1) The basic revenue of the portion. of the districts of Ganjam and Vizagapatam, which we hare recommended, should be traferred to the new province of Orissa amounts to 34 89 *(vide.* Appendix I).

(2) The basic expenditure of these parts amounts to 52.61 *(vide* Appendix II).

(3) As regards other changes in expenditure in the Madras Presidency consequential on the separation of parts of the two districts, we can only foresee that it should be possible to abolish one of the two posts of Deputy. and Assistant Commissioners of Excise whose headquarters are at Vizagapatam but who superintend Excise operations throughout the districts of Ganjam as well as Vizagapatam. The resultant saving may be taken at 0 . 12. As far as we can see, it will not be possible to effect economies in any other direction nor, on the other hand, is it likely that there will be any actual addition to overhead charges as a result of the separation.

The sum total of (2) and (3) above comes to 52 . 73. Financially, therefore, Madras stands to gain 52·73 — 34.89 or 17.84 by the separation of parts of the districts of Ganjam and Vizagapatam.

FINANCIAL,

AFPBNDIXV.

Statements I to IV showing the growth of Revenue and Expenditure; the net result thereof; and the growth of deficit year "*by* year.

STATEMENT I.

***Statement showing** the estimated growth **of** revenue.*

Year.	Excise.	Stamps.	Forests.			Total.
1933-34	..	..	..	..	..	..
1934-35	..	..	..	0·02	0·01	0·03
1935-36	..	..	..	0·03	0·03	0·06
1936-37	..	..	..	0·05	0·10	0·15
1937-38	..	..	..	0·05	0·22	0·27
1938-39	0·34	0·13	0·12	0·13	0·34	1·06
1939-40	0·68	0·27	0·24	0·21	0·34	1·74
1940-41	1·02	0·40	0·36	0·29	0·34	2·41
1941-42	1·36	0·54	0·48	0·37	0·34	3·09
1942-43	1·70	0·67	0·60	0·44	0·34	3·75
1943-44	1·71	0·67	0·60	0·44	0·34	3·76
1944-45 and subsequent years.	1·71	0·67	0·60	0·44	0·34	3·76

STATEMENT II.

Statement of growth of expenditure,

Year.	Kegistra. tion.	Eduoa. tion.	Indus. tries.	Civil Works,	Pen. sions.	Interest and debt.	Total.
1933-34	..	0·16	0·20	0·70	..	..	1·06
1934-35	0·04	0·32	0·41	0·70	0·30	1·19	2·96
1935-36	0·04	0·48	0·62	0·70	0·61	1·94	4·39
1936-37	0·04	0·64	0·64	0·70	0·91	2·51	5·44
1937-38	0·04	0·80	0·64	0·70	1·22	3·17	6·57
1938-39	0·04	0·96	0·64	0·70	1·62	3·17	7·13
1939-40	0·04	1·12	0·64	0·70	1·93	3·17	7·60
1940-41	0·04	1·28	0·64	0·70	2·33	3·17	8·16
1941-42	0·04	1·44	0·64	0·70	2·54	3·17	8·53
1942-43	0·04	1·60	0·64	0·70	2·84	3·17	8·99
1943-44	0·04	1·76	0·64	1·00	3·15	2·74	9·33
1944-45	0·04	1·92	0·64	1·00	3·45	2·74	9·79
1945-46	0·04	2·08	0·64	1·00	3·76	2·74	10·26
1946-47	0·04	2·24	0·64	1·00	3·76	2·74	10·42
1947-48	0·04	2·36	0·64	1·00	3·76	2·74	10·54

STATEMENT III.

Statement thawing the net result of additional growth of expenditure and revenue.

Year.	Additional ex« penditure.	Additional revenue.	Net deficit.
1933.34	1.06	..	1.06
1934.35	2.96	0.03	2.93
1935.36	4.39	0.06	4.33
1636.37	5.44	015	5.29
1937.38	6.57	0.27	6.30
1938.39	7.13	106	607
1939.40	7.60	1.74	5.80
1940.41	816	2.41	6.75
1941.42	8.53	309	5.44
1942.43	8.99	3.75	5.24
1943.44	9.33	3.76	5.67
1944.46	9.79	3.76	6.03
1945.46	10.26	3.76	6.50
1946.47	10.42	3.76	6.66
1947.48	10.54	3.76	6.78

STATEMENT IV.

Year.	Basic deficit.	Cost of separation.	Net cost of expansion.	Total deficit.
1933.34	15.92	18.23	106	35.21
1934.35	15.92	18.23	2.93	37·08
1935.36	15.92	18.23	4.33	38.48
1936.37	15.92	18.23	5.29	39.44
1937.38	15.92	18.23	6.30	40.45
1938.39	15.92	18.23	6.07	40.22
1939.40	15·92	18.23	5.86	4001
1940.41	15.92	18.23	5.75	39.90
1941.42	15.92	18.23	5.44	39.59
1942.43	15.92	18.23	5.24	39.39
1943.44	15.92	18.23	5.57	39.72
1944.45	15.92	18.23	603	40.18
1945.46	15.92	18.23	6.50	40.65
1946.47	15.92	18.23	6.66	40.81
1947.48 and subsequent years.	15.92	18.23	6.78	40.93

MCSRO..2,500~19.5.32~.GIPS