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**ANNEXURES**

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## BARODA

## STATEMENT I.

PARTICULARS OF "CENTRAL" REVENUES WHICH WILL MERGE WITH THE REVENUES OF THE CENTRAL GOVERNMENT UPON "MERGER" OF THE STATE INTO BOMBAY PROVINCE

S. No.	Particulars	Actual Receipts			Average for three years	Reference to Foot-notes
		1945-46	1946-47	1947-48		
		Rs. (Lakhs)	Rs. (Lakhs)	Rs. (Lakhs)	Rs. (Lakhs)	
1	Customs Duties on Foreign Trade :—					
	Import Duties	31.98	31.42	31.78	31.73	Note (1)
	Export Duties	0.26	0.18	0.39	0.28	..
2	Corporation Tax (other than Agricultural Corporation Tax).	6.48	4.10	2.60	4.39	Note (2)
3	Opium Receipts (Recovery of cost of cultivation and manufacture).	4.35	1.21	1.50	2.35	Note (3)
4	Income-Tax and Super-Tax (other than Corporation Tax and Agricultural Income-Tax).	73.60	94.75	119.60	95.98	Note (4)
5	"Central" Excise Duties.	23.21	34.68	20.74	26.21	Note (5)
6	Salt . . . . .	..	..	..	..	Note (6)
7	Customs Duties on Internal Trade.	..	..	..	..	Note (7)
8	Railways . . . . .	23.31	23.52	21.72	22.85 (net)	Note (8)
9	Postal "Immunity"	1.25	1.25	1.25	1.25 (net)	Note (9)
10	Telephones . . . . .	0.55	0.54	0.94	0.68 (net)	..
11	Miscellaneous (Interest on "Central" investments.)	..	..	..	..	Note (10)
	<b>TOTAL</b>	<b>164.99</b>	<b>191.65</b>	<b>200.52</b>	<b>185.72</b>	

## Baroda

## NOTES RELATING TO STATEMENT I

(1) This represents Baroda's share of the total Customs Revenue "appropriate" to each year, according to the sharing arrangements with the Government of India.

(2) As Corporation Tax is not separately levied in Baroda 2/3rds of Super-Tax is taken under this head.

(3) This is an estimate of receipts from cultivation and manufacture of opium. The entire opium cultivated and manufactured in the State is internally consumed. In accordance with the practice of the Government of India, receipts from "cultivation and manufacture" of opium are equated to the estimated departmental *cost* for cultivation and manufacture of opium. The balance of the income under the head 'Opium' is excluded as "Provincial" revenue which will continue to accrue to the benefit of the Provincial Government.

(4) These are Income-Tax receipts *plus* 1/3rd Super-Tax receipts *less* proportionate Refunds relative to Income Tax as distinct from Sales-Tax. There is no Agricultural Income-Tax levied in the State.

(5) "Appropriate" figures for each year are taken for "pooled" items (actuals for 1945-46 and estimates for the other two years).

(6) Refunds have been granted to Baroda by the Government of India for surrendering their rights for manufacturing Salt and levying duties on it. These are, however, omitted as Salt Revenue has entirely ceased from 1947-48 and is *not*, therefore, a loss arising from the merger.

(7) The "protective" Internal Customs Duties are already being abolished owing to :—

(i) the expenditure being much more than the revenues.

(ii) no protective measures of this kind being necessary for Port Okha, and

(iii) the changed political circumstances through the formation of Saurashtra Union.

The amounts are, therefore, omitted being loss *not* resulting from merger.

(8) These are the net contributions to general revenues in the form of 4% interest on the capital advanced by the State, in accordance with the normal practice of the State in the years in question.

(9) This represents cost of Service Stamps supplied free by the Government of India to the Baroda State.

Free carriage of State Mails within the State, which used to benefit the State by Rs. 0.25 lakhs or so, has already been stopped; it is *not*, therefore, a loss resulting from merger.

(10) As "Federal" funds are not separately invested, no figures can be worked out. The amount to be finally shown here will be the interest *receivable* (in future) by the Government of India upon current assets and investments allocated to them, *less* the interest *payable* by them upon current liabilities and funds allocated to them upon merger.

## BARODA

## STATEMENT II

PARTICULARS OF "CENTRAL" EXPENDITURE WHICH WILL MERGE WITH THE EXPENDITURE OF THE CENTRAL GOVERNMENT UPON "MERGER" OF THE STATE

S. No.	Particulars	Amount (Rs. in lakhs) 1947-48	Reference to Foot notes
1.	Cost of collection of Customs Duties on Foreign Trade . . . . .	0.25	Note (1)
2.	Cost of collection of Central Excise Duties . . . . .	..	Note (2)
2A	Cultivation and Manufacture of Opium . . . . .	1.50	Note (2A)
3.	Cost of collection of Income-Tax . . . . .	2.69	Note (3)
4.	National Highways . . . . .	1.98	Note (4)
5.	Defence (excluding cost of non-I. S. F. Units) . . . . .	45.00	Note (5)
6.	Aviation . . . . .	0.30	Note (6)
7.	Broadcasting . . . . .	2.09	Note (7)
8.	Meteorology . . . . .	0.07	..
9.	Archaeology . . . . .	0.35	..
10.	Geology (Survey) . . . . .	..	..
11.	(a) Patents, Copyrights, Trade-Marks . . . . .	0.07	..
	(b) Joint Stock Companies . . . . .	-0.10	Note (8)
12.	<i>Ad hoc</i> (Federal Civil Works) etc. (other than Military) . . . . .	0.25	Note (9)
13.	Pensions—of Military and "Federal" Personnel (unless already included under preceding items).	{ 1.35 0.40	Note (10) Note (10A)
14.	Accounts and Audit . . . . .	3.66	Note (11)
	TOTAL . . . . .	59.86	Note (12)

## NOTES RELATING TO STATEMENT II

(1) This represents the expenditure on collection of Customs Duties at Ports other than Port Okha. Expenditure for the latter is deducted from Customs revenues as shown in Statement I.

(2) The expenditure is deducted from the receipts from Central Excise as shown in Statement I.

(2A) Estimated at 70% of the total cost of "opium" department.

(3) 70 per cent of the Establishment cost of the combined Sales and Income-Tax Department has been taken in arriving at this figure.

(4) Represents Estimated expenditure on maintenance of "National Highway" (66 miles) at Rs. 3,000 per mile per annum.

(5) The expenditure on non-I. S. F. Units has been excluded at 40% of the total expenditure, *after* first deducting therefrom the "provision" for raising and training new units. Sundry receipts from Defence are deducted in proportion of 60% of the total receipts. Similarly charges for maintenance of buildings, and dearness and other allowances, charged to the Civil Budget, have been *added* in proportion to the expenditure on I. S. F. and non-I. S. F. Personnel.

(6) This is the maintenance charge for Baroda Aerodrome.

(7) The Baroda Broadcasting Station was sold to the Government of India on the 16th December 1948.

(8) (a) The figures for Patents and Trade-Marks are "*less* receipts". The Establishment charges are being incurred from 1st January 1947.

(b) The receipts from Joint Stock Companies exceed the expenditure. The net figure of —0·10 is arrived at as below :—

	Rs.
Expenditure during 1947-48 . . . . .	15,729
<i>Deduct</i> —Receipts during 1947-48 . . . . .	25,953
	—10,224 or say Rs.—0·10 lakhs.

(9) This represents the cost of compensation for land in Aerodrome works *paid* by Baroda.

(10) Pensions of I.S.F. Personnel are grouped here on an approximate basis. A sum of Rs. 0·10 lakhs is added each year to show the additional expenditure on new pensioners. The actual amounts spent on pensions in the Military Department in lakhs of Rupees (including I.S.F.) were :—

1945-46	1946-47	1947-48
Rs.	Rs.	Rs.
1·77	2·01	2·22

(10A) Pensions of other "Central" personnel estimated at Rs. 0·40 lakhs.

(11) The distribution of Audit charges is made on the following computation :—

	Rs.
	(Lakhs)
Total Accounts and Audit Expenditure . . . . .	3·26
<i>Add</i> Expenditure on dearness allowance and house-rent, etc. . . . .	1·21
	4·47
<i>Less</i> Non-I.S.F. Military Audit . . . . .	0·07
Investment Mahal (Provincial) . . . . .	·13
Chitnishi Branch including supervision of Accountant-General and his principal Assistants (50% Provincial) . . . . .	·25
Compilation and Budget (Provincial) . . . . .	·24
Savings Bank (Provincial) . . . . .	·08
Contingency and Dead Stock . . . . .	·04
	0·81
Balance "Central" . . . . .	3·66

(12) Expenditure in respect of dearness allowance, house-rent allowance and other allowances is *included* under each Department.

## BARODA

## STATEMENT III

ANALYSIS OF LIABILITIES AS AT 31ST JULY, 1948.

S. No.	Particulars	“ Pro-	“ Central ”	Total	Reference to Foot- notes
		vincial ”			
		Rs. (Lakhs)	Rs. (Lakhs)	Rs. (Lakhs)	
<i>(A) Banking or current liabilities.</i>					
1.	State (Treasury) Savings Bank				
	Deposits . . . . .	79.62	..	79.62	..
2.	Local Cess . . . . .	23.85	..	23.85	.
3.	State Life Insurance Fund (not Postal).	7.44	..	7.44	..
4.	Accident Insurance Fund (Museum and Port).	0.29	..	0.29	..
5.	Provident Funds :				
	(a) Railways, Broadcasting and Telephones.	..	24.26	} 26.22	Note (1)
	(b) Other Departments . . . . .	1.96	..		
6.	Probationary Fund (?) . . . . .	0.31	..	0.31	Note (2)
7.	Departmental and other Deposits—				
	(a) Military (Pedhi) . . . . .	..	3.36	} 484.53	Note (3)
	(b) Railways . . . . .	..	68.77		
	(c) Broadcasting . . . . .	..	0.52		
	(d) Telephones . . . . .	..	0.89		
	(e) “ Central ” Revenues (Tobacco, Matches and Vegetable Products Excise Duties).	..	295.97		
	(f) Others (“Provincial”) . . . . .	115.02	..		
8.	Endowments and Memorial Funds	23.38	..	23.38	..
9.	“Remittance” Account Balance (?)	416.16	..	416.16	..
10.	Suspense (?) . . . . .	18.42	..	18.42	..
11.	Village Uplift Trust Funds . . . . .	23.03	..	23.03	.
12.	Shanta Devi Trust Fund (and Interest)	22.66	..	22.66	..
TOTAL OF (A) . . . . .		732.14	393.77	1125.91	..

## BARODA

STATEMENT III—*contd.*ANALYSIS OF LIABILITIES AS AT 31ST JULY, 1948—*contd.*

S. No.	Particulars	"Pro- vincial"	"Central"	Total	Reference to Foot- notes
	<i>(B) Specific "Functional" Funds.</i>	Rs. (Lakhs)	Rs. (Lakhs)	Rs. (Lakhs)	
1.	Child Marriage Insurance Fund.	1.11	..	1.11	..
2.	City Improvement Fund	0.27	..	0.27	..
3.	Text Books Fund	0.37	..	0.37	..
4.	H. H. "Coronation Book" Series Fund.	0.21	..	0.21	..
5.	Secondary Education (Laboratories, Buildings and Equipment) Fund.	4.75	..	4.75	..
6.	Attached Area Development Fund.	10.16	..	10.16	..
7.	Miscellaneous Funds (Mal Vera, Shiledari and attached area).	7.55	..	7.55	..
8.	Distress Relief Fund . . . . .	4.93	..	4.93	..
9.	Police, Jail, and Political Funds.	9.97	..	9.97	..
10.	Army (Military) Funds . . . . .	..	49.99	49.99	..
11.	Railway Betterments Funds . . . . .	..	8.82	8.82	..
12.	Cotton Cloth and Yarn Cess Fund.	..	1.29	1.29	(Note (4))
	TOTAL of (B) . . . . .	39.32	60.10	99.42	
	<i>(C) Specific Capital Reserve Funds.</i>				
1.	Local Boards Reserve Fund.	1.54	..	1.54	..
2.	Electric Schemes Reserve Fund	23.19	..	23.19	..
3.	Railway Reserve Fund . . . . .	..	170.40	170.40	..
4.	Telephones Reserve Fund . . . . .	..	7.14	7.14	..
	TOTAL of (C) . . . . .	24.73	177.54	202.27	
	<i>(D) Specific Revenue Reserves</i>				
1.	Land Revenue Equalisation Fund.	107.03	..	107.03	..
	<i>(E) Non-Specific Development Funds.</i>				
1.	Post-war Reconstruction Fund	216.61(?)	..	216.61	Note (5)
	GRAND TOTAL (A TO E)	1119.83	631.41	1751.24	Note (6)

**BARODA****NOTES RELATING TO STATEMENT III**

(1) So much of this as relates to personnel who may be transferred to the Central Government will have to be taken over by that Government.

(2) The nature of this item is not clear ; it is assumed to relate to "Provincial" functions.

(3) Represents undivided collections of " Central " Excise Duties.

(4) It is assumed that this relates to " Central " functions.

(5) Provisionally assumed to be *wholly* " provincial ". Of this, a certain amount has been already spent on certain productive capital assets as follows :—

Telephones . . . . .	Rs. 0·51 lakhs	" Central "
Electric Schemes . . . . .	Rs. 0·05 lakhs	" Provincial "
Okha Port . . . . .	Rs. 26·33 lakhs	" Provincial "

(6) *General.*—The analysis in Statement III does not include Depreciation Funds which have *not been specifically invested* (Rs. 27·93 lakhs " Provincial " and Rs. 54·67 lakhs " Central "—Total Rs. 82·60 lakhs); these will be taken in reduction of the Book values of the assets concerned, *unless* investments or other liquid assets are actually available *after* providing for *all* current liabilities and funded obligations.

**BARODA**  
**STATEMENT IV**

ANALYSIS OF CURRENT OR LIQUID ASSETS AS AT 31ST JULY 1948.

S. No.	Particulars	Amount (Rs. in lakhs)	Remarks
1.	Cash and Bank Balances .	86·80	To be taken up by the Provincial Government (for "Ways and Means" reasons).
2.	Government Securities .	638·26	
3.	Bonds and Debentures .	18·00	
4.	Railway Shares .	7·68*	To be taken up by the Central Government.
5.	Industrial and Commercial Shares	248·61	
6.	Fixed Deposits in Banks .	513·64	
7.	Cash in Police "Pedhi" .	0·36	To be taken up by the Provincial Government.
8.	Cash in Military "Pedhi" .	3·36	To be taken up by the Central Government.
9.	Insurance Fund Investments	7·23	To be taken up by the Provincial Government.
10.	Trust Fund Investments .	50·10	Ditto.
11.	Attached Area Fund Investments	3·47	Ditto.
12.	Current Loans and Advances—		
	(a) "Central" Departments or for "Central" Functions.	36·57	To be taken up by the Central Government.
	(b) Others—"Provincial" .	219·53†	To be taken up by the Provincial Government.
13.	Positive Balance on "Remittance" accounts.	362·65	Ditto.
14.	Suspense (including 0·03 on "rounding").	7·66	Ditto. 0
	<b>TOTAL .</b>	<b>2203·92</b>	

\**Railway Shares*.—The amount shown against this item in the published Budget Memorandum of the State is Rs. 20·07 lakhs. This figure includes a sum of Rs. 12·39 lakhs which represents investment in a fixed *capital* asset, namely, the Tapti Valley Railway and has been classified accordingly, *vide* para. 24 of the Report. The amount to be taken as representing liquid or current assets, is therefore, only Rs. (20·07—12·39) lakhs or Rs. 7·68 lakhs.

†*Advances for purchase of food-grains* will be included in this. The amount of such advances will be represented *actually* by—

(i) Cost of stocks of food-grains on hand; and

(ii) Accumulated losses :

(a) State's share,

(b) Government of India's share (subsidy).

The figure for such "Advances" should be substituted, when preparing the Statement of Assets on the date of the 'merger' by (i) and (ii) (b) above; and (ii) (a) should be written off against the revenues of the State up to the date preceding the merger'.