M.R.O. 1—77,006—4-6-37.

(1) Number of pages 10

(2) Date of repair 27-2-63

(3) Initials of the Repairer

MADRAS RECORD OFFICE.

Government of Madras.

DEPARTMENT.

G.O. No. 3461 Press Mis.

Dated 14 18

Not to be folded or roughly handled

Read the following papers :—

No. 717. Proceedings of the Government of India, in the Public Works Department, (Account,) dated Simla, 8th October 1866, No. 920A.

Interest on balances of net traffic receipts of Railways.

Read Despatch No. 17, dated 29th May 1866, from the Secretary of State for India.

RESOLUTION:—The contracts with the guaranteed Railway Companies provide that all traffic earnings shall be paid into certain Government Treasuries at such times as the Government shall direct, and that all monies required for working expenses shall be withdrawn under such arrangements as shall from time to time be made with Government for that purpose. The Government of India has ruled that traffic earnings shall be paid in when realized, or weekly; and, at present, the standing advances for working expenses are replenished monthly after audit of the bills of expenditure by the Consulting Engineer.

2. The net traffic earnings are declared half-yearly, and during six months the Government retains in its Treasuries the increasing balance of net traffic receipts.

3. On this amount no interest has been hitherto allowed to the Railway Companies. The Secretary of State has now agreed that on such sum as may be in the hands of Government at the expiration of each month during the half-year, arising from the traffic receipts, beyond the amount necessary to be kept as a balance to provide for current expenditure, interest at the rate of five per cent. per annum shall be allowed up to the close of each half-year.

4. It remains to determine upon what amount interest shall be charged, and the Governor General in Council is pleased to rule that the sums withdrawn by each Railway Company for payment of current working expenses, shall be deducted in each case from the traffic receipts paid into the Government Treasury, and that interest shall be allowed on the balance at the end of each month.

5. The amount of interest declared under operation of these rules, should be shown up as a separate item in the abstracts of Revenue Accounts prescribed by the Secretary of State in Despatch No. 2 of 1862, to the Government of India in this Department, and referred to in Financial Department letter No. 410A, of the 26th October 1862. The interest should also be shown as separate items of receipt in the accounts of the Railway Companies.

6. The provisions of this Resolution will come in force from the 1st July 1866.

ORDER.—Ordered that copies of this Resolution be forwarded to the Governments of Madras, Bombay, Punjab, for information and guidance, and to the Government of North-Western Provinces, for information.

Ordered also, that a copy, with copy of the Secretary of State's Despatch No. 17 of 1866, be forwarded to the Financial Department, with a request that such further orders may be issued as appear necessary.

(Signed) C. H. DICKENS, Lieut.-Colonel, R. E.,
Secretary to Government of India.

No. 718. From the Secretary to the Government of India, Public Works Department, (Account,) to the Secretary to the Government of Madras, Public Works Department, dated Simla, 10th October 1866, No. 934A :—

I am directed to acknowledge receipt of your letter, No. 2,835, dated 5th September 1866, and in reply to refer you to the *Resolution* of the Government of India in this Department, No. 920A of 8th instant, determining the manner of carrying out the orders of the Secretary of State for the grant of interest on the Revenue balances of Indian Railways.

No. 719. ORDER THEREON, 31st October 1866, No. 3,469.

RAILWAY, No. 47.

Communicated to the Financial Department, and to the Consulting Engineer for Railways with reference to the Proceedings of Government No. 2,334, dated 5th September 1866.

(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government.

To the Financial Department, with G. O. Nos. 1,807 and 2,834 of 1866.
,, Consulting Engineer for Railways.
Rec'd Nov 6

Exd. S. T. Augustin.

934 C.

Government of India.
Public Works Department.
Account.

No. /

To the Secretary to the Government of Madras,
Public Works Department.

Simla 10th October 1866.

Sir

I am directed to acknowledge receipt of your letter No. 2835 dated 5th September 1866, and in reply to refer you to the Resolution of the Government of India in this Department No. 920A of 8th instant, determining the manner of carrying out the orders of the Secretary of State for the grant of interest on the Revenue balances of Indian Railways.

I have the honour to be,
Sir,
Your most obedient servant,
[illegible] Lt Col R.E.
Secretary to the Govt of India

pd.

No. 1111 A.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

Accounts.

SIMLA, *8th October* 1866.

Interest on balances of net traffic receipts of Railways.

READ—

Despatch No. 17, dated 29th May 1866, from the Secretary of State for India.

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2. The net traffic earnings are declared half-yearly, and during six months the Government retains in its treasuries the increasing balance of net traffic receipts.

3. On this amount no interest has been hitherto allowed to the Railway Companies. The Secretary of State has now agreed that on such sum as may be in the hands of Government at the expiration of each month during the half-year, arising from the traffic receipts, beyond the amount necessary to be kept as a balance to provide for current expenditure, interest at the rate of 5 per cent. per annum shall be allowed up to the close of each half-year.

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(Signed) , *Lieut.-Col.*, R. A.,
Secretary to the Govt. of India.

To
The Secretary to the Government of Madras
Public Works Department
Railway Branch

No 3469

Public Works Department

Proceedings of the Madras Government

Under date the 31st October 1866

Read the following

From

The Secretary to the Government
of India P.W.D. (Here enter No 934 A dt 10th Oct 1866)

do do (" " 920 A dt 8th " ")

Comm'd to the Financial Dept, and to the Consulting Engr for Railways with reference to the Proc: of Govt No 2834 dated 5th Sep 166.

WDH

1 to Fin: Dept: with Govt No 1805 2834 8766
2 " Con Engr for Rys
3 " A/867

Dept: Sct Rec'd 4

Report on Outlines of the Traffic Receipts of Railways.

Rec'd 6/11/66 Ent 6/11/66

D II 1866 Deputt
Pro of Govt for Octr
No 3469
Pro of the Madras Govt
of 31st Octr/66.

Interest on Revenue balances
of Indian Railways in Government
Treasuries - Letter from the Government
of India, intimating that their
Resolution No 920 R of 1866 determine
the manner of carrying out the
orders of the Secretary of State for the
Council, communicated to this
Department and to the Consulting
Engineer for Railways.

D II 7168

P. 264 Parl. Papers 1866 Vol 29