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MADRAS RECORD OFFICE

Government of Madras

Public Works DEPARTMENT

G.O. No. / B.P. No.	1507	Press / Mis.
Dated	31 — 5 — 1950	C675

Not to be folded or roughly handled

No. 576. Read the following Proceedings of the Government of India in the Public Works Department (Account—Guaranteed Railways), dated Simla, 3rd May 1875, Nos. 125—31 A.—G. R.:—

Synopsis of transactions of Guaranteed Railways to end of the year 1873.

Read again—

Public Works Department Resolution, Nos. 535—41 A.—G. R., of 6th November 1873.

Read also Note by the Accountant-General, Public Works Department, dated Fort William, 8th January 1875, No. 62-R.

Synopsis of transactions of the Guaranteed Railway Companies from the commencement of operations to the end of 1873.

I BEG to lay before the Government of India, with reference to Public Works Department Resolution, No. 535—41 A.—G.R., of 6th November 1873, a synopsis of the financial transactions of the Indian Guaranteed Railway Companies from the commencement of operations to the end of the year 1873.

2. The statement for the previous year, circulated with the Public Works Department Resolution above quoted, was admittedly defective in many respects, and was slightly different in form to that now submitted. The present statement shows the entire transactions for the Guaranteed Railways, both English and Indian, to the end of the year 1873, and will, I trust, be found complete.

3. The figures shown in the synopsis have been reconciled as far as possible with the published accounts both of Government and of the Railway Companies. The few instances in which such agreement has not been found possible are noted below:—

CAPITAL SUBSCRIBED.

Bombay, Baroda and Central India Railway.

4. In the monthly statement received from the India Office, showing the state of the Capital Account of the Indian Railways to 31st December 1873, the capital subscribed is shown as £40 less than the amount of capital as exhibited in the published Report of the Railway Company. This sum probably represents capital in hand of the Company not paid into the Treasury on 31st December 1873.

Oudh and Rohilkhund Railway.

5. There is a difference of £1,000 in the total amount of subscribed capital as shown in the India Office Statement and in the published Report of the Directors of the Oudh and Rohilkhund Railway. This also probably represents capital in the hands of the Company not paid into the Treasury at the end of the year, as I observe that the sum of £1,000 is acknowledged in the India Office Return for February 1874.

6. There is, however, a further difference in the amount of capital received in India as shown in the Indian Accounts and the Statement of the India Office, which is at present under inquiry.

Sindh, Punjab and Delhi Railway.

7. There is a difference of £35 in the amount of capital bearing interest between the India Office Return and the published Report of the Railway Company, made up thus:—

Capital bearing interest—

	£
As per India Office Return...	11,076,035
As per published Report of the Company's Board	11,076,000
Difference ...	35

8. In the capital not bearing interest, the India Office Return shows £66 in excess of the amount entered in the Railway Company's Report (£3,320-8-10).

9. It will be observed that in the case of this Railway, the India Office Return acknowledges more than the Railway Company's accounts show as having been paid in. The cause of these differences can be ascertained only in England.

CAPITAL WITHDRAWN AND CAPITAL OUTLAY.

10. The capital withdrawn has been taken from the Government Accounts, and the capital outlay from the published Reports of the Railway Companies. The totals in both cases should correspond, and thus prove the agreement of the Government and the Railway Companies' Accounts. This proof has been applied as far as the information available in India would admit. The instances where this has not been possible are noted below :—

Madras Railway, Great Southern of India Railway, and Carnatic Railway.

11. The Board of Directors of the Railways in the Madras Presidency do not include in their published reports separate balance sheets of Capital and Revenue transactions. I have, therefore, not been able to arrive at the outstanding balances under Capital Advance Account (9th column of the synopsis).

12. The balances entered in the case of these Railways must consequently be looked upon as mere approximations.

13. This cause of error would be removed were the Board of Directors of these Railway Companies to publish in future separate balance sheets for Capital and Revenue transactions, as is done by the other Guaranteed Railway Companies.

Bombay, Baroda and Central India Railway.

14. The above remark also applies to the balances shown in the synopsis under this Railway, as it publishes no Capital balance sheet in its reports.

15. I would suggest that the Secretary of State be moved to request the Bombay, Baroda and Central India Railway Company to include in future, in their published accounts, balance sheets of Capital transactions.

Oudh and Rohilkhund Railway.

16. The balance of the Capital Advance Account has also been assumed for the Oudh and Rohilkhund Railway. Sufficient information is not available in India to arrive at the amount accurately, there being differences in the Indian books of the Company for the English transactions, which have still to be explained; the balance sheet published by the Board of Directors, (*vide* Statement No. 6 of the Company's report) apparently includes Revenue and other transactions.

Sindh, Punjab and Delhi Railway.

17. The capital outlay prepared from the reports of the Sindh, Punjab and Delhi Railway Company cannot be made to agree with the capital withdrawn. There is at present a small difference of about £95 unexplained. This difference has been added to the balance of the Capital Advance Account, column 9, in order to make the two accounts agree.

GUARANTEED INTEREST.

18. The guaranteed interest paid, columns 19 and 21 of the synopsis, have been prepared from statements received from the India Office. The Railway Companies' published reports do not afford any check. The Companies show net amounts of guaranteed interest received, after deducting Income Tax. I think it would be more correct for the Companies to show the total amounts of guaranteed interest in their reports, and charge the Income Tax *per contra*. These columns—19 and 21—can best be verified in the India Office.

Proceedings of the Madras Government, Public Works Department,
31st *May* 1875.

STATE CHARGE FOR CONTROL.

19. The State charge for control has been obtained from the local authorities.

LAND.

20. The information regarding land is still incomplete.

21. The synopsis now submitted being the first to embrace complete information for all the guaranteed undertakings from commencement of operations, has necessarily taken considerable time in preparation,—more, it is hoped, than will be required in future. I may, however, state that these statements must always be several months behind date, as a portion of the information necessary for their preparation is contained in the Railway Companies' published reports, which do not reach India until many months after the period to which they refer.

22. If the present form be approved by Government, I would beg that orders be issued for its adoption in supersession of the one laid down in Public Works Department, No. 194—200 A.—G.R., of 1874.

23. In the joint report drawn up by myself and Captain Conway-Gordon, which was forwarded by the Secretary of State to the Government of India with Railway Despatch, No. 69, dated 14th May 1874, it was observed that the Home expenditure is neither audited on behalf of Government in England nor is it as a whole transferred to the Indian books for final audit in India; that no account that is available to the Government Auditors in India shows the proportion of the Home expenditure, which is finally charged in England, or that in suspense which is transferred to this country for adjustment in the Indian books. The report further recommended that the Government of India should be furnished periodically with statements of the portions of the Home expenditure, transferred as suspense to the debit of the Agents in India, so that the Government of India may know definitely what the Agents have to account for. On this point, I would again represent that it is of importance to know exactly how the issues made in England are taken to account by the Companies in England and India. We receive at present half-yearly statements of issues made by the Secretary of State to the Railway Companies, and if these statements were supplemented by some further particulars, they would afford the information which at present is wanting. I would therefore suggest that the half-yearly statements of issues should furnish the additional information desired in the following form :—

	£	s.	d.
Suspense balance on English books brought from last account			
Issues by the Secretary of State in England during the half-year as per statement			
Receipts during the half-year on account of transfer fees to be credited to Revenue			
Total made up as under ...			
Charged finally to construction in English books during the half-year... ...			
Paid to the Secretary of State for receipts on account of transfer fees as above.			
Expenditure to be taken to account in Indian books			
For stores as per Invoice Ex			
Do. do.			
Do. do.			
Expenditure to be taken to account in Indian books :—			
For advances recoverable in India—			
Month			
Do.			
Family payments in India—			
Month			
Do.			
&c. &c.			
Balance to next half-year being suspense on English books as per Balance Sheet			
Total as above ...			

24. In conclusion, I would observe that it would be of great advantage if we were to receive half-yearly a copy of the ledger balance sheets of both the Capital and Revenue Accounts of each Guaranteed Railway, the ledger headings being arranged under the general main heads shown in the balance sheets accompanying the published accounts. It is also very desirable that the Guaranteed Railway Companies should include, in their published half-yearly accounts, a separate balance sheet for Capital and Revenue transactions. I would, therefore, suggest that the Secretary of State be requested to move the Companies to arrange accordingly.

RESOLUTION.—The information contained in the present synopsis, prepared by the Accountant-General, is interesting and valuable; the form is also an improvement on the one adopted for the year 1872. Some further information is wanted from England to render the present form complete, and Her Majesty's Secretary of State for India will be addressed on the subject.

2. The local Governments and Officers concerned should take early steps for obtaining the information regarding land which is still wanting, with a view to the next statement being promptly and accurately prepared.

3. The form now adopted should be adhered to in future in supersession of the one laid down in Public Works Department Resolution, Nos. 194—200A.—G. R., of 10th April 1874.

ORDER.—Ordered that this Resolution, together with the statement and note by Accountant-General referred to, be communicated to the local Governments and Officers marginally noted, for information and guidance, and to the Financial Department and the Accountant-General, Public Works Department, for information.

Governments of Madras and Bombay.
The Consulting Engineers of Calcutta, Lahore and Lucknow.

(Signed) A. J. FILGATE, Captain, R.E.,
Under Secy. to the Govt. of India.

Synopsis of the transactions of Guaranteed Railway Companies from the commencement of operations to the end of 1873.

RAILWAY.	Mileage.			Capital subscribed.			Capital withdrawn.			Capital Outlay.				Revenue Account for 1873.					Guaranteed Interest for 1873.	Net profits from commencement to end of 1873.	Guaranteed Interest from commencement to end of 1873.	Railway Company's moiety of surplus profits from the commencement to end of 1873.	State charge for control for 1873.	State charge for control from commencement to end of 1873.	Land.					
	Open for traffic.	Mean length open during 1873.	Under construction on 31st December 1873.	In England.	In India.	Total.	In England.	In India.	Total.	On Construction Account.	On Stores in Stock.	Suspense (Capital Advance Account).	Total.	Gross earnings.	Working expenses.	Net earnings.	Net profits.	Surplus profits.							Value of land made over during 1873.	Value of land made over from the commencement of operations to end of 1873.	Value of land restored to Government during 1873.	Value of land restored to Government from commencement to end of 1873.	Loss of land revenue on land made over during 1873, Capitalized.	Loss of land revenue on land made over from commencement to end of 1873. Capitalized.
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
In Indian currency.				Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.												
East Indian, Main Line	1,280	1,280	Nil.	29,70,46,385	35,74,504	30,06,20,889	11,46,81,249	16,08,02,825	29,54,84,074	28,45,51,239	1,09,34,013	1,178	29,54,84,074	2,81,35,792	1,05,75,554	1,75,60,233	1,76,28,168	29,72,075	1,46,43,840	15,19,14,558	19,41,88,792	55,27,900	c 1,11,140	c 14,89,965	...	...	63,282	7,02,602		
East Indian, Jubbulpoor Line ...	223¼	223¼	Nil.	3,51,20,551	83,618	3,52,04,169	22,02,706	3,66,74,002	3,88,76,708	3,71,74,727	16,79,410	22,571	3,88,76,708	19,42,210	11,06,030	8,36,180	8,49,608	...	17,43,826	29,11,358	1,78,43,197	...	g	...	...	...	...	...		
Eastern Bengal	159	157½	Nil.	3,08,54,879	1,79,846	3,10,34,725	1,45,68,701	1,80,26,790	3,25,95,491	3,13,24,706	12,68,824	1,961	3,25,95,491	34,34,910	17,55,916	16,78,994	16,84,275	91,755	15,27,919	97,01,174	1,53,09,436	45,878	g	g	...	...	...	...		
Madras	856½	843	Nil.	11,08,83,600	...	11,08,83,600	4,86,23,891	6,07,00,598	10,93,24,489	10,52,09,935	40,11,448	1,03,106	10,93,24,489	68,83,351	39,19,378	29,63,973	29,58,109	...	54,56,452	2,99,32,668	6,68,63,030	...	e 81,958	e 10,72,403	28,430	9,05,017	2,084	70,011		
Great Southern of India... ...	168	168	215	3,12,87,131	13,320	3,13,00,451	1,13,27,309	74,87,748	1,88,15,057	1,74,74,137	14,67,989	1,27,069	1,88,15,057	11,12,873	5,53,193	5,59,680	5,59,654	...	15,12,659	35,23,336	1,04,17,851	...	h	h	21,094	9,10,558	156	1,27,475		
Carnatic	19	19	155	79,12,416	...	79,12,416	9,29,990	3,43,084	12,73,074	10,59,236	1,86,289	27,549	12,73,074	40,339	23,268	17,071	17,071	...	884,521	46,662	13,88,937	...	h	h	24,857	25,164	...	...		
Bombay, Baroda and Central India...	b 411	b 404	16	8,41,72,382	2,36,425	8,44,08,807	3,83,59,634	4,55,82,110	8,39,41,746	7,90,75,398	51,28,177	2,61,829	8,39,41,746	55,89,799	33,10,943	22,78,856	22,78,623	...	41,07,142	1,70,01,191	4,48,88,775	31,983	f	f	1,07,115	57,46,331	...	...		
Great Indian Peninsula	a 1,278¼	a 1,278¼	Nil.	25,17,03,205	44,26,785	25,61,29,990	11,08,70,670	14,00,90,354	25,09,61,024	23,62,39,194	1,45,74,791	1,47,039	25,09,61,024	1,88,51,120	1,20,81,127	67,69,993	67,98,642	...	1,24,95,110	6,45,87,349	12,94,30,163	3,79,391	d 1,38,486	d 18,37,788	905	54,15,162	...	...		
Oudh and Rohilkhund	455	378	Nil.	4,54,65,535	42,44,192	4,97,09,727	2,16,86,500	2,53,41,429	4,70,27,929	4,22,38,101	30,46,488	17,43,340	4,70,27,929	11,23,900	8,19,459	3,04,441	3,02,955	...	22,01,704	3,23,843	86,25,434	...	51,064	2,57,659	1,35,652	6,12,758	1,130	2,254	47,000	2,74,050
Scinde, Punjab and Delhi ...	663½	662½	Nil.	11,99,25,477	9,40,945	12,08,66,422	5,17,35,217	5,86,19,259	11,03,54,476	10,47,47,285	56,30,912	23,721	11,03,54,476	60,91,830	43,76,652	17,15,178	16,82,761	...	60,58,202	61,41,398	5,44,67,162	...	80,500	9,65,580	...	...	...	...		
	5,514½	5,415½	478	1,01,43,71,561	1,36,99,635	1,02,80,71,196	41,49,85,869	57,36,68,199	98,86,54,068	93,90,93,958	4,79,28,341	16,31,769	98,86,54,068	7,32,06,124	3,85,21,520	3,46,84,504	3,47,59,870	30,63,830	5,02,21,275	28,60,83,537	54,34,22,777	59,85,152	4,63,148	56,23,395						
In English currency at the contract rate of exchange.				£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£									
East Indian, Main Line... ...	...	...	...	27,229,253	327,663	27,556,915	10,512,448	16,573,592	27,086,040	26,083,864	1,002,284	108	27,086,040	2,579,114	969,426	1,609,688	1,615,915	272,440	1,342,352	13,925,501	17,800,639									
East Indian, Jubbulpoor Line ...	...	...	...	3,219,384	7,665	3,227,049	201,915	3,361,783	3,563,698	3,407,683	153,946	2,069	3,563,698	178,036	101,386	76,650	77,881	...	159,851	266,874	1,635,626									
Eastern Bengal	...	...	...	2,828,364	16,486	2,844,850	1,335,464	1,652,456	2,987,920	2,871,431	116,309	180	2,987,920	314,867	160,959	153,908	154,392	8,411	140,050	889,274	1,403,365									
Madras	...	...	...	10,164,330	...	10,164,330	4,457,190	5,564,221	10,021,411	9,644,244	367,716	9,451	10,021,411	630,974	359,276	271,698	271,100	...	500,175	2,743,828	6,129,111									
Great Southern of India... ...	...	...	...	2,867,987	1,221	2,869,208	1,038,337	686,377	1,724,714	1,601,796	134,566	11,648	1,724,714	102,013	50,709	51,304	51,302	...	138,660	322,972	954,970									
Carnatic	...	...	...	791,242	...	791,242	92,999	34,308	127,307	105,924	18,629	2,754	127,307	4,034	2,327	1,707	1,707	...	38,452	4,666	138,894									
Bombay, Baroda and Central India... ...	...	...	...	7,715,802	21,672	7,737,474	3,516,300	4,178,360	7,694,660	7,248,578	470,083	24,001	7,694,660	512,398	303,503	208,895	208,874	...	384,738	1,558,443	4,114,804									
Great Indian Peninsula	...	...	...	23,072,794	405,789	23,478,583	10,163,145	12,841,616	23,004,761	21,655,259	1,336,023	13,479	23,004,761	1,728,019	1,107,437	620,582	623,209	...	1,145,385	5,920,507	11,864,432									
Oudh and Rohilkhund	...	...	...	4,546,554	424,419	4,970,973	2,168,650	2,534,143	4,702,793	4,223,810	304,649	174,334	4,702,793	112,390	81,946	30,444	30,295	...	220,170	32,384	862,543									
Scinde, Punjab and Delhi	...	...	...	10,993,169	86,253	11,079,422	4,742,395	5,373,432	10,115,827	9,601,835	516,167	2,175	10,115,827	558,418	401,193	157,225	154,253	...	555,335	562,961	4,992,823									
	...	...	...	93,428,878	1,291,168	94,720,046	38,228,343	52,800,288	91,029,131	86,444,424	4,420,372	164,335	91,029,131	6,720,263	3,536,162	3,182,101	3,188,989	280,851	4,625,163	26,227,410	49,897,207									

a. Exclusive of the Campooles Branch, 7¼ miles long, which is constructed but not worked.
b. Includes the Patri Branch, 22 miles long, the cost of which is not included in the Capital outlay, as the branch was constructed at the cost of Government.
c. Includes the charge for East Indian Railway, Jubbulpoor Line, and Eastern Bengal Railway.
d. Includes the charge for Bombay, Baroda and Central India Railway.
e. Includes the charge for the Great Southern of India and Carnatic Railways.
f. Shown under Great Indian Peninsula Railway.
g. Shown under East Indian Railway, Main Line.
h. Shown under Madras Railway.
i. Does not include 47 miles, Ramnuggur Branch, on which an expenditure of Rs. 46,293 has been incurred.

NOTE.—The information regarding land is incomplete.

(Signed) J. J. McLEOD INNES,
Accountant-General, P.W.D.

Proceedings of the Madras Government, Public Works Department,
31*st May* 1875.

No. 577. ORDER THEREON, 31st May 1875, No. 1,501.

RAILWAY, No. 66.

COMMUNICATED to the Consulting Engineer for Railways and to the Examiner of Railway Accounts.

2. Attention is called to paragraph 2 of the Resolution of the Government of India.

(True Extract.)

(Signed) J. O. HASTED, Major, R.E.,
Offg. Joint Secretary to Government.

To the Consulting Engineer for Railways.
" Examiner of Railway Accounts.
" Financial Department.

I. W. 1875 Sept.
No: 3267

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.
Guaranteed Railways.

To

Nos. 125—31 $\frac{A}{G-R}$.

Dated SIMLA, *May* 3, 1875.

Recd. — 15 —

E 2.

Synopsis of transactions of Guaranteed Railways to end of the year 1873.

Govt. of 1875 Madras.

PUBLIC WORKS.

To

Dated

Issued

Recd. Encl.

G. O. No. 1272

Nos. 575 - 577

Synopsis of transactions
of Guaranteed Railways
to end of the year 1873.

The letter of the Govern.
of India forwarding
_____, communicated
to the Consulting Engineer
for Railways and to the
Examiner of Railway
Accounts with remarks
thereon.

Dated