

Public Works (1890) Department.

RAILWAY BRANCH.

G.O., No. 206 Ry-

DATED 8th February

[Despatch Abstract.]

Receipts and charges, Madras Railway
for 1888-89 - Review by the Government of
India of the communicated to the Consulting
Engineer for Railways and to the Examiner
Guaranteed Railway accounts.

3. Compared with the Budget Estimate, the actuals are less by Rs. 1,71,504, which is attributed to the amounts realised from Revenue for consumption of stores and from sales of stores, &c., having been less than was anticipated.

4. The increase in the actuals over the Revised Estimate amounts to Rs. 28,496 only, or 1.39 per cent. of the estimate, and scarcely calls for remarks.

Withdrawals from Treasury.

5. The outlay during the year under review was less by Rs. 2,50,119 than in 1887-88. The short outlay is said to be due chiefly to the decrease in the expenditure on the Beypur-Calicut Extension, the extension of the line to Palghat town and the purchase of stores.

6. Compared with the Budget Estimate, the actuals are more by Rs. 4,19,776. The excess is ascribed to increased expenditure on the reconstruction of the Penner Bridge, the new bridge over the Chittravati River, the Beypur-Calicut Extension, and to the purchase of stores being heavier than was anticipated.

7. The Revised Estimate of Capital outlay, as passed by the Government of India in Budget orders, amounted to Rs. 19,25,000, but the Government of Madras subsequently applied for an additional grant of Rs. 75,000 to meet urgent payments for timber from Burma before 31st March 1889, so as to save a rise in the rate, and the Government of India, in letter No. 168 A.—R., dated 21st March 1889, authorised the issue of credits to the extent required and authorized the amount being treated as a permissible excess over grant. Allowing for this, the final grant stood at Rs. 20,00,000, and the actuals have amounted to Rs. 20,44,776. The increase of Rs. 44,776 over the estimate is explained to be due to heavy purchase of stores.

REVENUE.

8. The Revenue transactions are compared with the Budget and Revised Estimates and with the actuals of 1887-88, in the following table:—

FINANCIAL HEADS.	1887-88.	1888-89.		
	Actuals.	Budget Estimate.	Revised Estimate.	Actuals.
	Rs.	Rs.	Rs.	Rs.
XXVII—GUARANTEED COMPANIES				
“ <i>Net Traffic Receipts.</i> ”				
Payments into Treasury—				
Administrative	82,52,536	83,00,000	84,50,000	85,38,804
Suspense	5,82,602	5,00,000	6,25,000	5,83,933
Financial	88,35,138	88,00,000	90,75,000	91,22,737
Withdrawals from Treasury—				
Administrative	51,39,221	51,00,000	50,00,000	49,86,763
Suspense	6,19,871	5,00,000	6,25,000	5,05,586
Financial	57,59,092	56,00,000	56,25,000	54,92,349
Net Traffic Receipts—				
Administrative	31,13,315	32,00,000	34,50,000	35,52,041
Suspense	—27,269	...	...	78,347
Financial	30,76,046	32,00,000	34,50,000	26,30,388

Payments into Treasury.

9. The payments into Treasury during the year 1888-89 exceed the figures of 1887-88 by Rs. 2,87,599 as under:—

	Rs.
Increase in Earnings	2,86,268
“ in Suspense	1,331

The increase in earnings is attributed to the improvement of traffic generally, but principally coaching.

10. Compared with the Budget Estimate, the actuals are more by Rs. 3,22,737 as follows:—

	Rs.
Increase in Earnings	2,38,804
“ in Suspense	83,933

The increase in earnings is owing principally to the development of traffic under Coaching and Sundries. The increase in suspense is accounted for by the receipts realised on account of Foreign Railways having been greater than was anticipated.

11. The increase of Rs. 47,737 in the actuals, as compared with the Revised Estimate, is arrived at as under:—

	Rs.
Increase in Earnings	88,804
Decrease in Suspense	41,067
Resulting in a net increase of	47,737

The increase in earnings is due to the reasons explained under this head in the previous paragraph. The decrease in suspense is owing to the receipts belonging to other lines having been overestimated.

Withdrawals from Treasury.

12. The Treasury withdrawals during the year have fallen short of those of 1887-88 by Rs. 2,66,743 as under:—

	Rs.
Decrease in Working Expenses	1,52,458
Decrease in Suspense	1,14,285

The decrease in Working Expenses is ascribed to expenditure in the Engineering, Locomotive and Carriage and Wagon Departments having been less owing to large credits to Revenue for works on the Chittravati and Penner bridges, to there being no expenditure from Revenue funds on account of Beypur-Calicut Extension, and to a very large decrease in repairs to vehicles. The decrease in Suspense is due to smaller payments to other lines on account of through traffic.

13. Compared with the Budget Estimate, the actuals are less by Rs. 1,07,651, arrived at as follows:—

	Rs.
Decrease in Working Expenses	1,13,237
Increase in Suspense	5,586
Showing a net decrease of	1,07,651

The saving on the provision for Working Expenses appears chiefly under *Maintenance and Locomotive Expenses*. The saving under *Maintenance* is attributed to short outlay in connection with the reconstruction of the Penner and Chittravati bridges, and to provision having been made for the Beypur-Calicut Extension, against which no charges were incurred. Against these savings there were excesses under other minor heads due chiefly to more extensive renewals of Permanent-way and increased charges for loss by exchange. The saving under *Locomotive Expenses* can only be attributed to an excessive estimate generally. There were also smaller savings on the provision for Carriage and Wagon Expenses and General Charges, which are, however, not of sufficient importance to be noticed in detail. On the other hand there were excesses over the Budget provision for *Traffic Expenses* and *Special and Miscellaneous Expenditure* due apparently to under-estimating. The difference between the actual and estimated transactions under Suspense is small.

14. The decrease of Rs. 1,32,651 in the actuals, as compared with the Revised Estimate, is as under:—

Decrease in Working Expenses	Rs.
„ in Suspense	13,237
The decrease in Working Expenses amounts only to 0.26 per cent. of the estimate. The decrease in Suspense is owing to the transactions having been overestimated.	1,19,414

Suspense Transactions.

15. The Suspense balances at the close of the year were as under:—

Capital.		Rs.
1. Her Majesty's Government of India—Capital Advance Account		1,29,574
2. Cheques payable Capital		1,313
3. General Stores Account		8,40,660
4. Locomotive Stores and Workshop Account		9,49,055
5. Engineering Stores and Workshop Account		3,07,172
6. Stores in transit		2,27,369
7. Materials Lost Account		3,210
8. Unpaid salaries and wages		9,023
9. Refunds to Government		18,962
10. Cashier		18,540
11. Locomotive Superintendent's Advance Account		6,000
12. Suspense Account for general average		669
13. Chief Engineer's Advance Account		37,861
14. Home payments Suspense Account		5,179
15. Employés' Guarantee Fund		1,97,098
16. Contractor's Security Fund		41,596
Revenue.		
17. Her Majesty's Government of India—Revenue Advance Account		2,20,496
18. Cheques payable Revenue		7,894
19. Traffic Cash Account		1,47,098
20. General Suspense Account		1,529
21. Revenue Establishment		2,00,680
22. Refreshment Rooms Account		563
23. Traffic Manager's Advance Account		3,420
24. Railway Schools Account		1,220

16. The Examiner reports that items Nos. 1, 2, 6, 8, 10, 11, 15, 16, 17, 18, and 21 to 24 are current and efficient. As regards the others the following remarks have been offered:—

General Stores Account.—The value of stores on hand on 31st December 1888 amounts to Rs. 8,11,335, the ledger balance being Rs. 7,61,590.

Locomotive Stores and Workshop Account.—The inventory of stores on hand works up to Rs. 84,787 in excess of the balance in the General Books on 31st December 1888.

Engineering Stores and Workshop Account.—The value of materials on hand on 31st December 1888 is shewn to agree with the book balance after certain adjustments; but it is not based on any priced inventory of stores, and the prices are in many instances evidently incorrect; there is probably a large credit balance under permanent-way materials.

Materials Lost Account.—A part of the balance under this head on 31st December 1888 has since been recovered in India, and the Board of Directors have been asked to call upon the Underwriters to make good the remainder.

Refunds to Government.—Of the balance under this item a sum of Rs. 1,995 received as security from Messrs. P. Scott and Company of Bombay in September 1880, for the due fulfilment of their contract to purchase old iron, and credited to this head is still unadjusted. It is understood that the firm will have a claim upon their security till 12 years from the date of deposit. All other outstandings at end of December 1888 have since been dealt with.

Suspense Account for General Average.—The balance under this head is the same as that at 31st March 1888. It is still unadjusted.

Chief Engineer's Advance Account.—There are both debit and credit items of long outstanding. The debit in connection with "Credit Notes" has for years appeared against this account and requires immediate adjustment. Many of the items might have been adjusted earlier.

Home Payments Suspense Account.—Under this head the following debit and credit items requiring adjustment were held in balance on 31st December 1888:—

Debit.—Rs. 87-4-4, representing short recovery from an employé who died.

Credit.—Rs. 270-15-4, representing excess recoveries from employés.

A sum of Rs. 105-9-7 was subsequently refunded to officers in the service, and Rs. 7-3-11 will be adjusted at the request of the employé from whom the excess recovery was made, when the next payment is made by him.

Traffic Cash Account.—Of the balance under this head a sum of Rs. 3,156-6-7 is still due by other Railways and is recoverable.

General Suspense Account.—Included in this account there is a sum of Rs. 240-1-8 at credit of late Assistant Traffic Manager, Mr. Bailey, outstanding for a long period.

FINANCIAL RESULTS.

17. The net amount of Capital withdrawn in England and in India during and to the end of the year 1888-89 is exhibited in the following table:—

	During the year.		To end of the year.	
	Rs.	A. P.	Rs.	A. P.
In England	12,10,119	8 8	6,92,77,724	1 5
„ India	—33,720	3 5	4,65,67,206	9 9
TOTAL	11,76,399	5 3	11,58,44,930	11 2

18. The net earnings, as shewn in the Administrative Account, yield a percentage of 3.07 on the Capital expended to end of the year.

OBSERVATIONS.—The attention of the Government of Madras is invited to para. 16 of the Accountant General's note. The differences noticed in balances of stores accounts, and the Examiner's remarks in connection with the Engineering Store and Workshop accounts should receive early attention. Endeavours should be made to adjust other outstandings referred to at an early date.

ORDER.—Ordered, that a copy of the note by the Accountant General, Public Works Department, be forwarded to the Government of Madras, Public Works Department, for information.

R. M. S. S. S.

Colonel, R.E.,

Secretary to the Govt. of India.

P.W.C. No. 1058

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Communicated to the

Consulting Engineer for

Railways and to the Examiner

Guaranteed Railway Accounts

for information in continua-

-tion of Proc. No 1037 R, dated

30th November 1888.

2. Attention is directed to

paras 15 and 16 of the

Accountant General's Note.

C.S.

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