Public Works (1898) Department.

RAILWAY BRANCH.

G.O., No. 847. a Dy.

DATED 22? June 1898.

[Despatch Abstract.]

Review of the Revenue & Expenditure of the Railway Branch of the P. W. Dept

Govt of India orders embodying the — for 1896-97, Commd to the Ry Admn Concerned.

[P. W. 22. 250—24-5-97.]

Indexed. 11/7/98.

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Works

Public (1898) Department.

Railway

CURRENT No. 728

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Order No. 847. Rly dated 22/6/98.

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Dated 2nd June '98

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SUBJECT.

Review of the Revenue and Expenditure of the Railway Branch of the P. W. D. for 1896-97.

2. The Govt. Examiner M.R.
" " Chief Engr. Mysore Rly
" " Civil Engr. Bro Rly
" Examiner of R. Accts.

Despatched on 2/7/98.

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FURTHER PAPERS.

G.O.	No.	Department.	Date.

Accompaniment to Public Works Department Resolution, No. 355 A. R., dated 2nd June 1898.

Note by A. R. Becher, Esq., Accountant General, Public Works Department, upon the Capital and Revenue Finance Accounts of Railways in India for 1896-97.

The revenue and expenditure of the Railway Branch of the Public Works Department is recorded under the following major heads :—

Revenue—

XXVI.—State Railways (Gross Traffic Receipts).
XXVII.—Guaranteed Companies (Net Traffic Receipts).
XXVIII.—Subsidized Companies (Repayment of advances of interest).

Expenditure—

34.—Construction of protective Railways (charged against Famine Insurance).
37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance).
38.—State Railways—Working Expenses, Interest charges, etc.
39.—Guaranteed Companies —Surplus Profits, Land, Supervision, and Interest.
40.—Subsidized Companies—Land, Subsidies, and Advances of Interest.
41.—Miscellaneous Railway Expenditure (Surveys, etc.).
48.—State Railways—Construction.
51.—State Railways—Capital charge involved in Redemption of Liabilities.

2. In addition to the foregoing, this note and the accounts attached to it include the transactions recorded in the Finance and Revenue Accounts under the head "Capital Account of Indian Railway Companies," as well as the transactions of the following Native States Railways, the accounts of which are dealt with in this Department :—

Bhopal State Railway (Bhopal Section).
Amraoti Railway.
Khamgaon Railway.

3. The Warora and Umaria Collieries, both as regards capital and revenue transactions, are classed under State Railways.

4. For convenience, this note is divided into the following sections :—

Section *A*.—State Railways—Revenue transactions (Major heads XXVI and 38).
„ *B*.—Guaranteed Railways—
(*i*) Revenue transactions (Major head XXVII).
(*ii*) Surplus Profits, Land, etc. (Major head 39).
„ *C*.—Subsidized Companies (Major heads XXVIII and 40).
„ *D*.—Miscellaneous Railway Expenditure (Major head 41).
„ *E*.—Construction Expenditure (Major heads 34, 37, 48 and 51).
„ *F*.—Capital Account of Guaranteed Companies.
„ *G*.—Capital Account of Indian Railway Companies (exclusive of the three old Guaranteed Companies).
„ *H*.—Railways belonging to Native States.

General results of the year.

5. An account is submitted with this review exhibiting in abstract, by Fund and Finance heads, the Revenue and Expenditure on account of State and Guaranteed Railways during the year, and a comparison is made therein of the results of the year, with the Budget and Revised Estimates and with the actuals of 1895-96.

6. The outlay on construction was as follows :—

	Rx.
34.—Construction of protective Railways (Famine Insurance)	...
37.—Construction of Railways (charged against Revenue in addition to the above)	12,750
48.—Construction of Railways (not charged to Revenue)	4,243,974
Capital outlay by the old Guaranteed Companies	285,348
State lines constructed by the agency of Companies	2,979,194
Assisted Companies	322,908
Capital outlay met from debentures raised by the East Indian Railway Company	1,435,701
TOTAL	9,279,875

7. The results shown by the Railway Revenue Account are as follows:—

	State Railways.	Guaranteed Railways.	Subsidized Companies.	Miscellaneous.	Total.
	Rx.	Rx.	Rx.	Rx.	Rx.
Gross Receipts	17,639,604	5,685,180	24,052	...	23,348,836
Working expenses	8,436,599	3,051,016	...	...	11,487,615
Net earnings	9,203,005	2,634,164	24,052	...	11,861,221
Charges upon net earnings.					
Surplus profits and share of net earnings, etc., paid to Companies	382,954	447,302	...	...	830,256
Interest on debt incurred for Capital	5,452,514	...	...	...	5,452,514
Annuities charged upon Revenue Accounts * £1,712,600	2,844,343	...	...	...	2,844,343
Interest on advances of Capital by the Secretary of State £218,884	404,708	...	...	...	404,708
Interest on Capital deposited by Companies £722,527	1,215,145	...	...	...	1,215,145
Guaranteed interest of the old Companies	...	3,597,232	...	...	3,597,232
Land charges, supervision, and subsidies	...	28,083	85,020	...	113,103
Advances of interest to certain Companies	...	...	...	...	...
Miscellaneous Railway Expenditure	...	...	...	63,901	63,901
Total charges	10,299,664	4,072,617	85,020	63,901	14,521,202
Net gain + or loss — to Government	—1,096,659	—1,438,453	—60,968	—63,901	—2,659,981
Compared with—					
In 1895-96	—493,868	—1,061,752	+7,001	—71,649	—1,620,268
„ 1894-95	—737,450	—1,535,679	+25,000	—100,360	—2,348,489
„ 1893-94	—366,180	—778,938	+13,054	—103,439	—1,535,503
„ 1892-93	—1,041,200	—805,569	—11,143	+10,860	—1,847,052

8. From the foregoing statement it will be seen that after meeting all charges for annuities and interest (including interest on capital expended on lines not opened for traffic), charges for land for Companies' lines and miscellaneous expenditure on surveys, etc., the result of the year is a net charge to the State of Rx. 2,659,981. Although the charge for interest and annuities was smaller owing to the rate of exchange that obtained during the year being somewhat higher, the net charge is higher than in the previous year, when it amounted to Rx. 1,620,268, owing to the traffic having been very unfavourably affected by the plague in Bombay and the scarcity which prevailed over a very large portion of the country. The loss in this as in previous years may, however, be directly attributed to the low exchange prevailing. The interest and annuities paid in England amounted to £5,790,567, which, at the exchange of 14·45057491*d.* the rupee, aggregated Rx. 9,617,168, the difference between this and the old par of exchange being no less than Rx. 3,826,601.

9. In Schedule J will be found the charges upon the general tax-payer in respect of the construction of railways in India from 1858-59.

* These annuities are terminable between the years 1953 and 1958.

SECTION A.

(i) State Railways.

Gross Receipts and Working Expenses.

10. At the beginning of the year under review 14,721 miles of State Railway were open for traffic,* *viz.*:—

	Miles.
State lines worked by the State—	
Standard gauge	4,254½
Metre gauge	1,451¼
Special gauge	36
	5,741¾
State lines worked by Companies—	
Standard gauge	3,588½†
Metre gauge	5,390¾‡
	8,979¼
Total	14,721

11. During the year 1896-97, the following lengths of line were opened for traffic:—

	Miles.	
East Indian—		
Mile 8·23 from Dheria Joba to the Damoodur River	1¾	
Chanch branch extension	1	
Rajmehal branch extension	¼	
Maharajpur branch	1¾	
		4¾
Godhra-Rutlam-Nagda, Rutlam to Nagda		25¾
North-Western—		
Rahuki to Rohri (Kotri-Rohri chord line)	178	
Bolan junction to Quetta (Mushkaf-Bolan Railway)	85¾	
		263¾
Oudh and Rohilkhand—		
Najibabad to Kotdwara		15¼
East Coast—		
Khurda road to Bhubaneswar	11¾	
Bhubaneswar to Barang (Cuttack road)	10	
Khurda road to Puri	25¼	
		47
Bengal and North-Western (Company's section)—		
Burhwal to Ganeshpur (Bahramghat)	4	
Bhatni to Bhagalpur Ghaghra (Turtipur)	17¼	
Gonda to Balrampur	22	
Nanpara to Jangal Motipur	15	
Jarwal road to west bank Gogra River at Ganeshpur (Bahramghat)	5¼	
		63½
Assam-Bengal—		
Akhaura to Badarpur	127	
Gauhati to Jamuna Mukh	74¾	
		201¾
Cawnpore-Burhwal (Metre gauge link)—		
Daliganj to Burhwal		34½
Total		656¼

These figures give a total open mileage of 15,377¼ miles at the end of the year, and allowing for corrections in mileages, the mileage open on 31st March

* Administration Report on the Railways in India for 1896-97—Part I, Appendix A.

† Includes Bengal Central Railway.

‡ Includes Bengal and North-Western Railway.

} Both these railways are the property of Companies, but for convenience are classified as State Railways.

1897 was 15,378* miles. The mileage of railways classed respectively as Imperial and Provincial was as under:—

	Miles.
Imperial	14,651¾†
Provincial	726¼
TOTAL	15,378

12. The gross receipts of the year amounted to Rx. 17,639,604, the working expenses to Rx. 8,436,599; the share of net earnings, surplus profits, and contributions to Provident Funds paid to Companies to Rx. 382,954, raising the total charges to Rx. 8,819,553 and leaving Rx. 8,820,051 as the net receipts accruing to Government from all the State lines during 1896-97. This result is worse than that of 1895-96 by Rx. 697,812.

13. The capital expenditure incurred by, or on the direct responsibility of, the State, including the Capital charge involved by incurring a specific amount of debt in purchase or redemption of liabilities in connection with lines formerly belonging to Guaranteed Companies and acquired by the State, is as under:—

	Rx.	£
(*i*) On State lines (*vide* Schedule G)—		
(*a*) Direct Capital outlay	93,425,310	...
(*b*) Expenditure incurred from debenture raised by the East Indian Railway Company	1,707,399	...
(*c*) Redemption of liabilities	...	33,553,451
(*ii*) On State lines leased to Companies (Capital raised wholly or in part by Companies under guarantee), *vide* para. 129	36,185,079‡	...
TOTAL	131,317,788	33,553,451

14. This sum, however, includes expenditure on lines not opened for traffic at the close of the year under review; on materials held in reserve on the North-West Frontier, and with store-keepers at ports; on projects abandoned or in abeyance and an inefficient expenditure incurred in connection with lines transferred to Companies aggregating Rx. 7,785,135 (*vide* Schedule H). Excluding such expenditure, the open line Capital outlay at the close of 1896-97 may be stated at Rx. 157,086,104.

15. The net receipts accruing to Government for the year, Rx. 8,820,051, give a return on the total Capital outlay at the close of the year as thus stated at the rate of 5·35 per cent., and on the *open line* Capital outlay at the rate of 5·61 per cent.

16. The above results, although representing correctly the return on the Capital outlay actually incurred by the State, cannot be taken as giving the true returns from the State Railways on the actual money expended upon the various undertakings. Those of the old Guaranteed Railways, which have been purchased by the State, were for the most part acquired by the payment of annuities, including the establishment of sinking funds which will redeem the capital at the expiry of the periods for which the annuities are to run. These charges are met from current revenues, and in respect of the capital thus to be redeemed, no charge appears in the Government account of Capital outlay. On the other hand, in the case of the Oudh and Rohilkhand Railway, which was purchased outright, the outlay, as shown in the Government books, includes the premium paid on the Company's share Capital. The actual

	Miles.
* As per Administration Report on the Railways in India for 1896-97, Part I, Appendix A.	15,378½
Add—Cherra-Companygunj Railway now treated as a tramway for administrative purposes	8
	15,386½
Deduct—Calcutta Port Commissioners' Railway now treated as a railway for administrative purposes	8½
	15,378

† Includes Bengal Central and Bengal and North-Western Railways.
‡ Excludes the outlay on the Bengal and North-Western Railway not guaranteed by the State.

outlay incurred on the State Railways—taking, in the case of the Guaranteed Railways purchased by Government, the amounts expended by the several Companies *plus* the expenditure since incurred on construction—may* be stated at Rx. 194,790,819†, and on open lines at Rx. 187,005,684, *vide* Schedule A, on which amounts the net receipts for 1896-97 give a return at the rate of 4·53 and 4·72 per cent., respectively.

17. Dealing with the matter in yet another way, the return from State Railways including the lines taken over from Companies might be stated as follows. The capital involved in the purchase of the East Indian Railway, the Eastern Bengal Railway, the Sind, Punjab and Delhi Railway, the Oudh and Rohilkhand Railway, and the South Indian Railway is stated partly in sterling and partly in rupees.

From the rupee earnings on these railways, on other State Railways whose entire capital is stated in rupees, and on the State lines leased to companies, remittances have to be made yearly to pay the sterling interest upon a sum of £96,906,517 which is the amount of the sterling capital while rupee interest is paid in India upon Rx. 97,787,665 which is the amount of the Rupee Capital involved.

The effect as regards dividend to a shareholder is the same as if the sterling sum of £96,906,517, were converted into rupee capital at the rate of exchange for the year and the resulting rupees added to the rupee capital of Rx. 97,787,665 to form the total upon which the shareholder's return is based. Stated in this way the capital outlay on these lines is equivalent to Rx. 258,733,262, and the net receipts of Rx. 9,010,582 give a return of 3·48 per cent. thereon.

18. The net receipts from the following railways exceeded the interest charges for the year:—

RAILWAYS.	Net Receipts (less surplus profits and net earnings paid to Companies).	Interest and annuities, etc.	Surplus to State.
IMPERIAL.	Rx.	Rx.	Rx.
East Indian	3,601,895	2,777,993	823,902
Rajputana-Malwa System	984,081	606,873	377,208
Tirhoot	127,730	103,234	24,496
Eastern Bengal	896,519	590,359	306,160
Palanpur-Deesa	1,598	911	687
Warora Colliery	17,293	7,852	9,441
PROVINCIAL.			
Mayavaram-Mutupet	10,529	9,841	688

* Sterling figures in the old Companies' accounts were converted at fixed contract rates. The difference between contract and actual average rates cannot be stated.

	Rx.	Rx.
† Outlay as recorded in Finance and Revenue Accounts (*vide* para. 12)		164,871,239
Add—Difference between outlay included above and actual rupee expenditure on lines purchased from Companies (*vide* Schedule A)—		
East Indian	21,643,501	
Eastern Bengal	1,953,777	
Sind, Punjab and Delhi	7,172,333	
South Indian	324,254	
	31,093,865	
Deduct—Premium on Oudh and Rohilkhand Railway	1,174,285	
		29,919,580
TOTAL		194,790,819

19. The net receipts of the North-Western Railway fell short of the interest and annuity charges by Rx. 1,123,645, and were sufficient to give a return of only 2·54 per cent. on the actual Capital outlay. This is due to the unfavourable results on the Frontier section and to the heavy charge for exchange on the sterling payments of interest and annuities.

20. The financial results to the State of the working of the Companies' lines, classed as State Railways, are shown more fully in Schedule I. See para. 9.

Comparison with Actuals during 1895-96 and Budget and Revised Estimates.

21. The actual gross receipts and working expenses of State Railways for the year 1896-97 compare with the actuals of 1895-96, and with the Budget and Revised Estimates as under:—

	Actuals, 1896-97.	Revised Estimate.		Budget Estimate.		Actuals, 1895-96.
		Estimate.	Actuals, more or less.	Estimate.	Actuals, more or less.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Gross receipts .	17,639,604	17,525,000	+114,604	18,322,100	—682,496	18,558,699
Working expenses (including surplus profits, etc.).	8,819,553	8,825,000	—5,447	9,010,800	—191,247	9,040,836
Net receipts .	8,820,051	8,700,000	+120,051	9,311,300	—491,249	9,517,863

Receipts.

22. *With Actuals of 1895-96.*—The receipts are less than the actuals of the previous year by Rx. 919,095, the decrease being due to a large falling off in traffic, chiefly on the Rajputana-Malwa and North-Western Railways to the extent of Rx. 339,842 and Rx. 597,784, respectively. The following lines also show decreases:—East Indian (Rx. 42,878), Bengal-Nagpur (Rx. 45,025), and Oudh and Rohilkhand (Rx. 155,897). There were increases on the Burma, East Coast, Assam-Bengal, Eastern Bengal and Indian Midland Railways which went to reduce the total falling of.

The decrease on the East Indian Railway was due chiefly to the through traffic outstandings being larger than in the previous year. There was an increase in the earnings from sundry traffic, due to the hire of vehicles lent to foreign railways, to receipts on account of supervision charges on the cost of constructing assisted sidings, and to an increase in the half-yearly charges for interest on the cost of these sidings recovered from coal owners. There was an increase under goods traffic and a decrease under coaching traffic, the causes of which are detailed in para. 24 below.

The large decrease of Rx. 339,842 on the Rajputana-Malwa Railway occurred under both goods and coaching traffic. The decrease under coaching traffic was due partly to the movements of the population having been restricted during the second-half of 1896, which period was considered unpropitious for marriages, and partly to the prevalence of famine. The falling off in goods earnings was due partly to the famine and partly to bad trade consequent on the bubonic plague.

The decrease on the Bengal-Nagpur Railway is attributed entirely to the failure of crops in the districts served by this line.

The large decrease of Rx. 155,897 on the Oudh and Rohilkhand Railway occurred partly under coaching and partly under goods traffic, which showed a falling off of Rx. 45,211 and Rx. 113,056 respectively, and is attributed entirely to unfavourable harvests and failure of crops, resulting not only in a serious fall in traffic in several of the principal staples of agricultural produce, but, owing

to the great distress prevailing, materially affecting the passenger traffic and leading also to reduced demands for various commodities in general use. There was, on the other hand, an increase under sundry earnings due to receipts for hire of wagons, lent to the Eastern Bengal State Railway.

The large decrease of Rx. 597,784 on the North-Western Railway occurred chiefly under goods traffic, which showed a falling off of Rx. 495,679, due mainly to a fall in the wheat traffic and to a decrease in military traffic. Coaching traffic also showed a falling off of Rx. 92,581 owing to the movement of troops for the Chitral Expedition in 1895-96 having contributed largely to the earnings of that year. There was a small increase, however, in the receipts from sundries due to the hire of rolling stock and locomotive engines to the Southern Punjab, Mari-Attock and Kotri-Rohri Railways, and to receipts from mileage and demurrage of vehicles run over the Oudh and Rohilkhand Railway.

The decrease on the Dhond and Manmad State Railway occurred chiefly under coaching traffic, and was due to the prevailing scarcity.

On the lines referred to below there were increases the causes of which are briefly explained:—

The increase on the Burma Railways was due generally to development of traffic, to the continued high price of paddy and the unusual yield of the last crop; and to the increased mileage open and the general prosperity of Lower Burma during the last two seasons.

The increase on the Assam-Bengal and East Coast Railways is attributed to additional mileage having been opened during the year.

The increase of Rx. 69,019 on the Eastern Bengal State Railway was due to an improvement in passenger and jute traffic.

The increase on the Indian Midland Railway occurred chiefly under goods traffic, and was due to the heavy import of food-grains to the famine-stricken districts; to the carriage of permanent way and bridge material for the construction of the Saugor-Katni extension; to increased traffic in oil seeds—principally rape and poppy seed—to Bombay for export and to the development generally of goods traffic. There was a decrease in the earnings from cotton, the crop in the previous year having been unusually large, and in sugar and jaggree, salt and piece goods, owing to the impoverished state of the agricultural population. There was also a decrease in the receipts from sundry earnings, owing to the earnings from mileage and demurrage of stock having been much below the payments on that account.

23. *With Budget Estimate.*—The actuals were less than the Budget Estimate by Rx. 682,496. The reasons given above for the decrease as compared with the actuals of the previous year apply generally to the decrease as compared with the Budget Estimate.

The large decrease of Rx. 339,017 on the Rajputana-Malwa Railway occurred chiefly under goods traffic. The prevalence of the bubonic plague at Bombay and of famine in India affected trade very detrimentally and caused a decrease in the goods earnings of this line to the extent of Rx. 354,243. There was also a small falling off in the earnings from coaching traffic due to the passenger traffic having been less favourable than was anticipated.

The decrease on the Umaria Colliery was due to a smaller output of coal than was anticipated when the Budget Estimate was framed, and to the coal sold to Messrs. Burn & Co. towards the latter part of the year under review not having been paid for by them until the following year.

The decrease on the Bengal-Nagpur Railway is attributed entirely to the continued failure of crops caused by the untimely cessation of rains in August 1896.

The large decrease of Rx. 181,379 on the Oudh and Rohilkhand Railway is ascribed generally to the causes mentioned in para. 22 above. There was also a decrease in the receipts from sundry earnings attributed to the absence of export traffic and the loss of the usual mileage for stock running over foreign lines, and to the settlement in favour of the North-Western Railway of an old claim for demurrage on stock relating to 1894.

The large decrease of Rx. 312,093 on the North-Western Railway is attributed to the causes enumerated in para. 22 above.

The decrease on the South Indian Railway was due to the earnings from goods traffic not being as good as anticipated.

The decrease on the Dhond and Manmad State Railway is attributed to the famine which prevailed in the Ahmednagar District.

The increases noticed below helped to mitigate the total decrease :—

The increase on the East Indian Railway was due to an improvement in goods traffic owing chiefly to despatches of rice and pulses up-country in consequence of the scarcity, and of coal to Calcutta. There was a decrease in the earnings from coaching traffic attributable to the causes enumerated in para. 24 below.

The increase on the Burma Railways was due to the price of paddy having been high throughout the year, and to trade in Lower Burma having in consequence been good. The earnings derived from the extensions were also more favourable than was anticipated in the Budget Estimate.

The large increase of Rx. 200,587 on the Eastern Bengal State Railway was due to a favourable jute crop and to an improvement in coaching earnings.

24. *With Revised Estimate.*—The actual receipts were more than the Revised Estimate by Rx. 114,604, the principal increases being on the East Indian, Rajputana-Malwa, Eastern Bengal and Southern Mahratta Railways. The increase was due chiefly to traffic in food-grains being more favourable than was expected.

The increase on the East Indian Railway is attributed to an abnormally heavy goods traffic particularly in March 1897, and generally throughout the second-half of 1896. The traffic in rice in the second-half of 1896 is said to be the highest on record for the corresponding period of any year since 1890, and this increase is attributed to the demand caused by scarcity in the North-Western Provinces and Oudh, Eastern Bengal, and some parts of Tirhoot. There was a falling off in the earnings from coaching traffic under 3rd class passengers which is attributed mainly to scarcity in food supplies; to the latter half of 1896 having been inauspicious for pilgrimages, and to the plague epidemic in Bombay on account of which the Mahomedan pilgrimage to Mecca was prohibited. The increase in receipts would have been much larger but for an unforeseen increase in outstanding earnings.

The increase on the Rajputana-Malwa Railway was due to an unexpected improvement under coaching traffic during the last quarter of the year. There were also increases in the receipts under electric telegraph and from the traffic in sundries due to the Revised Estimate having been placed at too low a figure. Goods traffic shewed a decrease due to the estimate of earnings for the last quarter of the year, which was based on the transactions of previous years, not having been realised owing to famine and plague.

The increase on the Eastern Bengal State Railway is attributed to an increase in the jute and grain traffic and to the carriage of stores for construction purposes.

The increase on the East Coast Railway is attributed to traffic having been more favourable than was anticipated and to a credit to earnings of indirect workshop charges on completed rolling stock, provision for which was not made in the Revised Estimate.

The increase on the Southern Mahratta Railway is attributed to increased export traffic of food-grains during the latter part of 1896, and the earlier months of 1897 due to the prevalence of famine in the various parts of the country.

The increase on the Guntakul-Mysore Frontier Railway was due to traffic having proved more favourable than was anticipated in the Revised Estimate.

On the Oudh and Rohilkhand Railway there was a decrease under goods traffic due to the improvement in traffic, which was anticipated at the time the estimates were framed, not having continued to the close of the year.

On the South Indian Railway there was an unexpected falling off in the earnings from goods traffic.

Working Expenses.

25. *With actuals of 1895-96.*—The decrease of Rx. 221,283 in working expenses as compared with the actuals of the previous year may be attributed to the smaller traffic worked. The decrease in working expenses is equivalent to about 24 per cent. of the decreased earnings:—

The decrease on the East Indian Railway occurred for the most part under locomotive expenses owing to a smaller number of locomotive engines having been replaced, the number in the year under review having been 6 only, against 26 in the previous year. There were also decreases under special and miscellaneous expenditure due to less payments to other railways for mileage and demurrage and running powers and under Company's share of surplus profits due to decreased net earnings for the first-half of 1896. There were increases under carriage and wagon expenses due to heavy expenditure on materials used in repairs and renewals of coaching and goods vehicles; under traffic expenses due partly to grain compensation allowance given to the menial staff and increased handling charges consequent on the increased goods traffic and partly to the opening of additional stations.

The decrease on the Rajputana-Malwa Railway is attributed to smaller outlay under locomotive expenses owing to reduced train mileage run and to the carriage of a smaller quantity of coal; to less repairs and renewals of vehicles; and to a smaller payment to the Bombay, Baroda and Central India Railway on account of the Company's share of surplus profits owing to the falling off in traffic. There was an increase, on the other hand, under maintenance of way, works and stations due partly to greater outlay on relaying; to the carriage of a greater quantity of sleepers and ballast and to the payment of grain compensation allowances; partly to greater outlay on repairs to stations and buildings and to the opening of the Rutlam-Nagda section.

The decrease on the Oudh and Rohilkhand Railway was due to renewals of permanent way not having been carried out to the same extent as in the previous year and to reduced outlay on girder renewals; to smaller outlay under locomotive and traffic expenses owing to the lighter traffic worked; to a refund of arrears of and smaller current charges on account of joint station charges of the Moghal Sarai and Aligarh Stations and to reduced payments on account of mileage and demurrage in consequence of the fall in traffic. There was, however, an increase under carriage and wagon expenses due entirely to special renewals of vehicles.

The decrease of Rx. 166,275 on the North-Western Railway was due to the fall in traffic.

The decrease on the South Indian Railway was due to a smaller length of line having been renewed with 50lb rails; to the cheaper rate at which coal was obtained, and to the delivery of coal supplies at various loco.-centres instead of at Dharmavaram and Madras as in the previous year; to lighter repairs to engines and to a less number of vehicles having been repaired owing to the temporary closing of the workshops in consequence of the riots of October 1896. There was, however, an increase under traffic expenses attributed to changes in, and additions to, the traffic staff; to the introduction of night train service on the Erode Branch; to the increased rate at which kerosine oil was obtained, and to the purchase of two ticket-printing machines.

The principal increases are noticed below:—

The increase on the Bengal-Nagpur Railway was due to special charges in connection with the relaying of permanent way on the Kutni-Umaria section and to the payment of arrears to the Great Indian Peninsula Railway on account of the shunting and marshalling of trains at Nagpur junction.

The increase on the Burma Railways was due to a longer length of line having been relaid during the year; to the employment of extra staff and the consumption of a greater quantity of coal owing to the increase in traffic; to promotions of gazetted officers and an increase in their number as well as in the number of station and train staff; to increased expenditure consequent on the increased length of line open and to charges for the Home Board establishment and for Government supervision debitable to Revenue now appearing for the first time.

The increase on the Eastern Bengal State Railway was due to larger traffic and to the opening of new stations.

The increase on the Bengal Central Railway was caused by a larger amount having been paid to the Eastern Bengal State Railway for working consequent on the increase in the earnings and to 90 per cent. of the Company's share of net earnings for the half-year ended 31st December 1895 having been paid in the year under review instead of in the previous year.

The increase on the Indian Midland Railway occurred chiefly under locomotive expenses, and was due to the increased consumption of Bengal in place of Umaria coal and to heavier expenditure on special repairs to boilers, etc.

The increase on the East Coast and Assam-Bengal Railways was due to the longer lengths of line worked during the year.

26. *With Budget Estimate.*—The actual working expenses fell short of the Budget Estimate by Rx. 191,247. The more important variations in line estimates are as under—

The lapse on the Rajputana-Malwa Railway was due to smaller outlay under locomotive expenses owing to reduction of traffic consequent on famine, to smaller outlay having been incurred on repairs and renewals of vehicles and in cleaning of carriages and wagons and to smaller payments to the Bombay, Baroda and Central India Railway on account of the Company's share of surplus profits owing to the net result of the year's working having proved much less satisfactory than was anticipated when the Budget Estimate was prepared. There was an excess under maintenance of way, works and stations attributed to the requirements under maintenance and renewal of permanent way and unclassified expenditure having been under-estimated.

The lapse on the Warora Colliery was due partly to less output of coal, partly to the transfer of the expenditure incurred on a bore hole from Revenue to Capital under the orders of Government, and partly

to a reduction in the initial cost of coal at which it is charged to the colliery revenue account.

The lapse on the Oudh and Rohilkhand Railway is almost wholly attributable to the lighter traffic worked.

The lapse of Rx. 199,412 on the North-Western Railway was a natural consequence of the falling off in earnings.

The lapse on the South Indian Railway was due generally to the causes mentioned in para. 25 above.

The lapse on the Dhond and Manmad State Railway was due to a smaller payment to the Great Indian Peninsula Railway Company for working the line consequent on reduced gross earnings.

The excess on the East Indian Railway was due to increased expenditure under carriage and wagon and traffic expenses attributable to the causes mentioned in para. 25 above, and to increased charges under maintenance of way, works and stations consequent on the high price of rails, etc., and heavy renewals.

The excess on the Bengal-Nagpur Railway is attributed to a longer length of the Kutni-Umaria section having been relaid and to the adjustment of arrear charges by the Great Indian Peninsula Railway for shunting at Nagpur junction.

The excess on the Burma Railways was due to a longer length of line having been relaid than was provided for and to heavy expenditure on the upper sections owing to slips in cuttings and heavy banks, etc.; to an under-estimate of the requirements under locomotive expenses; to increased expenditure owing to increased traffic, and to provision not having been made in the Budget Estimate for certain general charges consequent on the handing over of the Railways in Burma to a Company during the course of the year.

The excess on the Eastern Bengal State Railway was due to the increased traffic and to the hire of wagons from other railways.

The excess on the Bengal Central Railway was due to the causes mentioned in para. 25 above.

The excess on the Bengal and North-Western and Tirhoot Railways is explained to be due to increased expenditure on relaying the Tirhoot and Bengal and North-Western Railway sections and on abnormal renewals, and to the erection of the Gogra temporary pile bridge; to unforeseen increases in expenses owing to the opening of new extensions to traffic; to the cost of erecting 60 iron-covered goods wagons having been under-estimated; to the salary of two assistant auditors and of the additional staff engaged for the audit office not having been provided for; to unforeseen expenditure in lifting, making and relaying ghat lines owing to changes in the course of the river Ganges; and to unforeseen compensation charges incurred in connection with the Bunwar Chak embankment case and to heavy law charges in connection with the Samastipur defalcation case.

The excess on the Indian Midland Railway occurred chiefly under locomotive expenses, and was due to the higher cost of Bengal coal the use of which was necessitated by the inferior quality of the supplies from the Umaria Colliery. There was also an excess under special and miscellaneous expenditure due to increased payments on account of mileage and demurrage of stock.

The excess on the East Coast Railway is attributed to the longer length of line worked during the year.

27. *With Revised Estimate.*—The actual working expenses approximate very closely to the Revised Estimate, the result being a small lapse of Rx. 5,447. The more important variations on individual lines are explained below:—

The lapse on the North-Western Railway was due to the late arrival of permanent-way material, and to repairs of carriage and wagon

stock not having been carried out to the extent anticipated. There was, however, an excess under locomotive expenses caused by the increased consumption of fuel.

The lapse on the South Indian Railway was due to the programme for repairs to engines and vehicles not having been fully carried out, and to smaller outlay on fuel than was provided for in the Revised Estimate.

The lapse on the Southern Mahratta Railway was due principally to the transfer to the Guntakul-Mysore Frontier Railway of a larger share of the total working expenses owing to the earnings of that line having increased and to fluctuations in suspense.

The excess on the East Indian Railway was due chiefly to increased handling charges on goods and to fluctuations in suspense balances. There was a decrease under locomotive expenses due to a smaller number of engines having been replaced than was provided for.

The excess on the Burma Railways was due to a larger consumption of coal and to increased expenditure consequent on the increased traffic.

The excess on the Bengal-Nagpur Railway was due to the credit from capital on account of its share (based on a mileage proportion), of the management charges to be borne by the Sini-Midnapur-Cuttack-Calcutta Extensions having been over-estimated.

The excess on the Eastern Bengal State Railway was due to the cause mentioned in para. 26 above.

(ii) Interest and Annuities.

28. The charges for interest and annuities on account of State Railways for 1896-97 amounted to Rx. 9,916,710 as under :—

	England.		India.	Total.
	Sterling.	Rupee equivalent.		
	£	Rx.	Rx.	Rx.
Interest charged in India on debt incurred for direct outlay by the State	...	...	3,657,728	3,657,728
Interest on debt taken over or incurred in connection with lines transferred from Companies to the State :—				
On debentures since discharged	...	...	174,494	174,494
On debentures, debenture stock, and on India stock issued in redemption of annuities, debentures, and debenture stock and for purchase of undertakings	975,589	1,620,291	1	1,620,292
Annuities in purchase of Companies' lines	1,712,600	2,844,343	...	2,844,343
Interest chargeable against Companies on advances by Secretary of State	218,884	363,530	41,178	404,708
Interest on Capital deposited by Companies	722,527	1,199,997	15,148	1,215,145
Total	3,629,600	6,028,161	3,888,549	9,916,710

29. Interest is charged in India at 4 per cent. per annum on debt incurred for direct outlay by the State, except on a loan of Rx. 1,000,000 from His Highness the Maharaja Holkar for the Holkar State Railway which bears interest at 4½ per cent. per annum.

30. The debt taken over or incurred in connection with lines acquired by the State from Companies is on account of the East Indian, Eastern Bengal, Sind, Punjab and Delhi (incorporated in the North-Western Railway), Oudh and Rohilkhand and South Indian Railways, and consists of debentures and debenture stocks of the Companies, for which the State assumed the direct liability on the transfer of the lines to Government; of India stock issued in purchase of the Oudh and Rohilkhand and South Indian Railways; and of stock issued from time to time in redemption of portions of annuities or of debentures and debenture stock, which are bought up as opportunity offers.

The debentures discharged up to date are as under :—

	Rx.
East Indian Railway, £2,950,000 or expressed in Rx., converted at the official rates applicable under the contract	3,546,684
Eastern Bengal Railway, £612,350 or expressed in Rx., converted at the average rates for the years in which discharged	815,670

and interest is calculated at the rate of 4 per cent. per annum on these sums as in the case of direct outlay by the State.

31. The details of the interest charges and the charge on account of each line are as follows : —

	East Indian.	Eastern Bengal.	Sind, Punjab and Delhi (North-Western).	Oudh and Rohilkhand.	South Indian.	Total.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
On debentures discharged	141,867	32,627	...	...	...	174,494
On debentures and debenture stock	107,315	23,162	...	25,557	46,560	202,594
On India 3½ per cent. stock issued in redemption of portion of annuity and debenture stock	388,306	33,029	267,228	—869	...	687,694
On India 3 per cent. stock issued in redemption of portion of annuity, debenture stock and debentures, and for purchase of undertakings from Railway Companies	12,348	35	...	514,852	199,112	726,347
On India 4 per cent. rupee debt issued in redemption of portion of annuity	1	...	...	...	...	1
Discount Sinking Fund in redemption of debt incurred in excess of money raised	...	...	...	3,656	...	3,656
Total	649,837	88,853	267,228	543,196	245,672	1,794,786

32. The East Indian, the Eastern Bengal, and the Sind, Punjab and Delhi Railways were purchased by annuities: the East Indian Railway annuity, terminating in 1953, at the rate of £5-12-6 for every £100 stock of the Company ; the Eastern Bengal, terminating in 1957, at £6-3-4·79 per £100 stock and the Sind, Punjab and Delhi, terminating in 1958, at the rate of £5-3-3·141 per £100 stock. In the case of the East Indian Railway a portion of the annuity equivalent to one-fifth of the commuted value of the capital stock, or £6,550,000 has been deferred, and on this sum interest at 4 per cent. is guaranteed. The holders of this portion of the stock participate in the surplus profits.

33. The charges in respect of each line were as follows :—

	East Indian.	Eastern Bengal.	Sind, Punjab and Delhi (North-Western).	Total.
	Rx.	Rx.	Rx.	Rx.
Annuity	1,417,981	194,037	614,558	2,226,576
Interest in lieu of deferred annuity	435,138	...	...	435,138
Sinking Fund	106,483	7,939	65,286	179,708
Contribution towards management of Sinking Funds, etc.	2,277	214	430	2,921
Total	1,961,879	202,190	680,274	2,844,343

34. The charges under "Interest on capital deposited by Companies" and "Interest chargeable against Companies on advances" relate to the newer Companies, the lines undertaken by which are classed as State Railways. During later years, the funds required for additional capital works have been provided by advances made to the Companies from funds raised by the Secretary of State under the provisions of Act 51 Vict., Cap. 5. The charges for interest on these advances appear under the heading "Interest chargeable against Companies on advances." It has further been arranged that money required for *Indian* expenditure on the construction of the extensions of the Bengal-Nagpur Railway and the Saugor-Katni Extension of the Indian Midland Railway shall be advanced in India, the expenditure in England on account of these Railways being met by sterling borrowing. The interest chargeable against the Companies on the rupee advances appears under India under the same heading. The East Indian Railway Company have also been allowed to raise sterling debentures to meet the capital expenditure on the main line and the extensions. The interest on these debentures is accounted for under the head "Interest on capital deposited by Companies."

35. The charges incurred in connection with each line are given in the following table:—

Railways.	Interest Chargeable against Companies on advances.			Interest on Capital deposited by Companies.			Grand Total.
	India.	England and Exchange.	Total.	India.	England and Exchange.	Total.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
East Indian	...	...	...	...	12,456	12,456	12,456
Bengal-Nagpur	36,869	148,977	185,846	...	284,418	284,418	470,264
Burma Railways	...	...	...	...	31,697	31,697	31,697
Assam-Bengal	...	...	...	...	111,678	111,678	111,678
Bengal Central	...	26,989	26,989	...	29,064	29,064	56,053
Indian Midland	4,309	72,598	76,907	...	347,840	347,840	424,747
Lucknow-Bareilly	...	...	...	15,148	...	15,148	15,148
South Indian	...	...	...	...	49,825	49,825	49,825
Southern Mahratta*	...	114,966	114,966	...	333,019	333,019	447,985
Total	41,178	363,530	404,708	15,148	1,199,997	1,215,145	1,619,853

* Including Mysore.

36. The charge in India against the Bengal-Nagpur Railway under "Interest chargeable against Companies on advances" includes Rx. 19,415 representing interest on capital expended by Government on the Katni-Umaria State Railway, which was subsequently taken over by the Bengal-Nagpur Railway Company as a part of its undertaking; this expenditure has not been refunded by the Company, but the State ranks as a shareholder to the extent of the capital contributed by it. The amount entered against the Lucknow-Bareilly Railway represents interest on money raised by the Rohilkhand and Kumaon Railway Company for capital expenditure on the Lucknow-Bareilly Railway, and interest on advances made to the Company in excess of the money raised.

SECTION B.

Guaranteed Railways.

37. This section deals with (i) the revenue transactions of the Great Indian Peninsula, the Bombay, Baroda and Central India, and the Madras Railways, and (ii) the charges incurred by the State in the payment of surplus profits and contributions to Provident Funds; on Land, which, under the several contracts, is supplied free of charge to the Companies; on Government controlling establishments; and on interest on capital. The Government controlling establishments also exercise, in some instances, supervision over State lines leased to Companies, and perform certain duties in connection with State Railways, but the entire cost is recorded under this head. Recoveries are, however, made from State lines leased to Companies on account of Government supervision, and the amount of such recoveries is credited to this head.

I.—Revenue Transactions.

XXVII.—Net Traffic Receipts.

38. At the close of the year under review, the open mileage of the Guaranteed Railways was as follows* :—

	Total length open.	Length laid with two or more tracks.
	Miles.	Miles.
Great Indian Peninsula	1,288	461·91
Bombay, Baroda and Central India	460·90	70·89
Madras	839·22	42·41
Total	2,588·12	575·21

* Administration Report on the Railways in India for 1896-97, Part I, Appendix A.

39. The net receipts of the Guaranteed Railways during 1896-97 amounted to Rx. 2,634,164. The transactions of each Railway for the year were as follows:—

	Great Indian Peninsula.	Bombay, Baroda and Central India.	Madras.
	Rx.	Rx.	Rx.
Receipts—			
Administrative	3,151,952	1,509,778	1,102,583
Suspense	155,978	448,661	156,475
Total	3,307,930	1,958,439	1,259,058
Payments—			
Administrative	1,784,030	716,246	550,740
Suspense	244,099	436,898	159,250
Total	2,028,129	1,153,144	709,990
Net Receipts—			
Administrative	1,367,922	793,532	551,843
Suspense	—88,121	11,763	—2,775
Total	1,279,801	805,295	549,068
Percentage of working expenses to earnings	56·60	47·44	49·95
Average earnings per mile per week	46·93	62·82	25·20

40. Taking the Capital expenditure as stated in rupees in the Indian Accounts (in which sterling figures have been converted at the fixed contract rate of 1*s.* 10*d.* the rupee), the return per cent. on Capital outlay incurred to the end of the year was as under:—

	Capital outlay to 31st March 1897.	Net Receipts, 1896-97.	Percentage on Capital outlay.
	Rx.	Rx.	
Great Indian Peninsula	27,844,236	1,279,801	4·60
Bombay, Baroda and Central India . . .	10,389,710	805,295	7·75
Madras	12,137,775	549,068	4·52

41. The traffic on the Great Indian Peninsula Railway during the year under review was considerably below that of the previous year. Goods traffic fell off by Rs. 24,66,774 and coaching by Rs. 7,26,960, due to the prevalence of famine and plague. The reduction in working expenses was not commensurate with this fall, being only Rs. 1,17,172, due chiefly to smaller expenses in the Locomotive Department owing to reduced issues of coal consequent on the fall in traffic and lower charges under loss by exchange and carriage of revenue stores in the last quarter of the year. The difference would have been greater but for the increase in the Engineering Department, due to there having been exceptional credits under loss by exchange and maintenance and renewal of permanent-way in June 1895.

42. On the Bombay, Baroda and Central India Railway the results were also more unfavourable than in the preceding year; the earnings fell off by Rs. 25,87,627, while the working expenses increased by Rs. 6,26,207. There was a decrease of Rs. 1,68,592 under coaching, due chiefly to plague, and Rs. 24,86,559 under goods, due principally to the famine affecting the traffic in wheat and other grain. This decrease has been counterbalanced to a small extent by the improvement in the receipts under "Sundries." The increase in working expenses was due principally to heavy outlay in the Engineering Department in connection with the replacement of Warren girders and extensive renewals of permanent way.

43. On the Madras Railway the earnings were less than those of 1895-96 by Rs. 17,461 only. The working expenses were more than in the previous year by Rs. 2,02,201, due principally to increased outlay in the Engineering and Carriage and Wagon Departments. The increase in the former is accounted for by heavier renewals of the line with 30 feet bull-headed steel rails and the credit for returned stores being less than in the year before, and that in the latter by a larger number of goods vehicles having been repaired and renewed during the year.

Comparison with Actuals of 1895-96 and the Budget and Revised Estimates.

44. A statement, attached to this review as Schedule B, compares in detail the transactions of the year with the Revised and Budget Estimates and the Actuals of 1895-96. The following is a summary of the net results:—

Railways.	Net Receipts.	Revised Estimate.		Budget Estimate.		Net Receipts.
	Actuals, 1896-97.	Estimate.	Actuals, more + or less —.	Estimate.	Actuals, more + or less —.	Actuals, 1895-96.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Great Indian Peninsula . .	1,279,801	1,260,000	+19,801	1,570,000	—290,199	1,555,626
Bombay, Baroda and Central India	805,295	810,000	—4,705	1,070,000	—264,705	1,132,291
Madras . .	549,068	540,000	+9,068	593,000	—43,932	587,321
Total .	2,634,164	2,610,000	+24,164	3,233,000	—598,836	3,275,238

45. The decrease in the actuals, as compared with those of 1895-96, has already been explained—*vide* paras. 41—43, *ante*. The decrease, as compared with the Budget Estimate, was due mainly to the same causes which led to the difference between the actuals of 1895-96 and 1896-97. The difference between the actuals and the Revised Estimate is comparatively small.

II.—Surplus Profits, etc., Land, Supevision and Interest.

Surplus Profits and Contributions to Provident Funds.

46. Under the contracts with the Guaranteed Railway Companies, a moiety of the excess of net earnings over interest charges for each half-year ending 30th June and 31st December, taken separately, is paid to the Companies; but in calculating the total surplus for division, the Secretary of State is able to place against the net earnings stated in rupees, one rupee only for every 1*s.* 10*d.* of guaranteed interest which he has paid. The share falling to the Companies is, therefore, much in excess of a true moiety of the real surplus after meeting the sum which the Secretary of State actually pays as interest charges. In any half-year during which the net earnings fall short of the interest charges, the deficiency is borne wholly by Government.

47. A contribution from net earnings is made in aid of the Provident Funds established on the Great Indian Peninsula and Bombay, Baroda and Central India Railways, for the benefit of the Companies' employés, when the net earnings on capital give a return of more than 6 per cent. per annum on the Bombay, Baroda and Central India, and of 3 per cent. half-yearly on the Great Indian Peninsula Railway. A Provident Fund was established during 1891-92 on the Madras Railway, but on a different basis, a contribution equal to one-half of the obligatory subscriptions of the members during the half-year being given as a charge to Working Expenses, and a further contribution being made in half-years in which there are surplus profits, out of such surplus profits, and within certain prescribed limits.

48. The payments to the Companies during the year 1896-97 on account of surplus profits and contributions to Provident Funds were as follows:—

	Surplus profits.	Contributions to Provident Funds.	Total.
	Rx.	Rx.	Rx.
Great Indian Peninsula	215,286	10,939	226,225
Bombay, Baroda and Central India . . .	211,939	8,991	220,930
Madras	144	3	147
Total .	427,369	19,933	447,302

Land.

49. The charges for land for Guaranteed Railways during the year were comparatively small. They were as follows:—

	Rx.
Great Indian Peninsula	1,077
Bombay, Baroda and Central India	3,054
Madras	3,731
Total .	7,862

Supervision.

50. The charges falling under this head represent the cost of the establishments of the Consulting Engineers and Government Examiners employed on the supervision, audit and control of the transactions of Companies' lines, and a moiety of the cost of the office of the Director General of Railways. The

amounts recovered from Railway Companies are credited to this head. The charges during the year under review were as follows :—

	Control.	Audit.
	Rx.	Rx.
Bombay	11,594	10,664
Madras	5,698	5,155
Calcutta	11,150	6,232
North-Western Provinces and Oudh	10,812	7,524
Assam	4,850	2,707
Director General of Railways, etc. (share of office of—)	16,224	...
	60,328	32,282
TOTAL	92,610	
Less—Recoveries from Companies	72,389	
NET CHARGE	20,221	

51. The contributions for Government supervision, audit and control, recovered from the several Railway Companies, were as follows :—

	Rx.
East Indian	10,000
Rajputana-Malwa	14,444
Bengal and North-Western and Tirhoot	3,837
Bengal-Nagpur	8,268
Bengal Central	1,000
Indian Midland	6,241
Southern Mahratta (including Mysore)	10,704
Rohilkhand-Kumaon (including Lucknow-Bareilly)	1,140
South Indian	8,333
Assam-Bengal	5,463
Burma	2,844
Bina-Guna	115
TOTAL	72,389

52. The contribution payable from the East Indian Railway revenues has been fixed under the contract at Rs. 50,000 half-yearly. With the exception of the Bengal and North-Western and the Rohilkhand-Kumaon Railway Companies, the contributions paid by Railway Companies are calculated at the rate of Rs. 40 per half-year per mile of line constructed or under construction. The contributions by the Bengal and North-Western and Rohilkhand-Kumaon Railway Companies are calculated at the rate of Rs. 20 per mile half-yearly.

The amount entered against the Bina-Guna Railway represents the recovery made from the Gwalior Durbar for the audit of the accounts of that railway by the Government Examiner of Accounts, Indian Midland Railway.

53. No contribution is made by the old Guaranteed Railways towards the cost of Government audit and control.

Interest.

54. The charges for Interest during the year 1896-97 were as under :—

	On Capital held in England.		On Capital held in India.	On over-drawals on Capital Account.	TOTAL.
	Amount.	Equivalent.			
	£	Rx.	Rx.	Rx.	Rx.
Great Indian Peninsula	1,197,890	1,989,496	1,555	282	1,991,333
Bombay, Baroda and Central India	430,340	714,723	116	5,501	720,340
Madras	532,737	884,788	...	771	885,559
TOTAL	2,160,967	3,589,007	1,671	6,554	3,597,232

55. The foregoing figures represent the interest paid during the year, and not the liability for interest for the year 1896-97. Additional capital to the

extent of £399,400 was raised during the year under review, the bulk of it in July 1896, and consequently the liability for interest for the year 1896-97 would be somewhat higher than the actual payments. The interest on overdrawn capital represents interest charged by Government at the rate of 4½ per cent. per annum on advances to the three lines on Capital account.

Comparison with Actuals of 1895-96 and the Budget and Revised Estimates.

56. In the statement attached to this review as Schedule C, a comparison in detail will be found of the actual charges for Surplus Profits, etc., Land and Supervision, and Interest, with the Revised and Budget Estimates and with the Actuals of 1895-96, of which the following is a summary :—

	Actuals, 1896-97.	REVISED ESTIMATE.		BUDGET ESTIMATE.		Actuals, 1895-96.
		Estimate.	Actuals, more + or less —.	Estimate.	Actuals, more + or less —.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Surplus profits, etc.	447,302	447,400	—98	589,400	—142,098	501,507
Land and Supervision	28,083	33,100	—5,017	36,100	—8,017	28,808
Interest	3,597,232	3,595,200	+2,032	3,778,300	—181,068	3,806,675
TOTAL	4,072,617	4,075,700	—3,083	4,403,800	—331,183	4,336,990

The decrease in payments on account of surplus profits, etc., as compared with the actuals of the previous year and the Budget Estimate, was due to the fall in traffic on the Bombay, Baroda and Central India Railway due chiefly to the famine affecting the traffic in wheat and other grain. The difference would have been larger but for the increase in the share of profits paid to the Great Indian Peninsula Railway Company consequent on the increased earnings in the surplus half-year.

The decrease in Land and Supervision as compared with the actuals of the previous year was comparatively small.

The lapse on the Budget and Revised Estimates was due principally to no payments having been made against the specific provision for land required at Mumbra and Santa Cruz in Bombay, to partial payments for land required at Coorla on the Great Indian Peninsula Railway and to a large credit received on account of sale-proceeds of buildings, etc., on certain land at Anand on the Bombay, Baroda and Central India Railway.

The decrease in the interest charges as compared with the Actuals of 1895-96 and the Budget Estimate was due to the more favourable rate of exchange.

Effect on State Revenues.

57. The following table shows the direct results to the State of the working of the Guaranteed Railways for the year :—

	Net Traffic Receipts.	CHARGES.				Gain or loss (+ or —).
		Interest.	Surplus Profits.	Contribution to Provident Funds.	TOTAL.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Great Indian Peninsula	1,279,801	1,991,333	215,286	10,939	2,217,558	—937,757
Bombay, Baroda and Central India	805,295	720,340	211,939	8,991	941,270	—135,975
Madras	549,068	885,559	144	3	885,706	—336,638
TOTAL	2,634,164	3,597,232	427,369	19,933	4,044,534	—1,410,370

58. In addition to the above, the cost of land provided at the expense of the State and a proportionate share of the cost of the Government controlling establishments have to be taken into consideration, in order to arrive at the real financial results to the State of its connection with Guaranteed Railways. The above table, however, shows prominently the effects of the provision in the contracts under which surplus profits are declared half-yearly, and the sterling interest is converted for the purpose of this division at the fixed contract rate of 1*s.* 10*d.* (*vide* para. 46). Thus the Great Indian Peninsula Railway received as surplus profits during the year the sum of Rx. 215,286, while Government, although nominally entitled to share equally with the Company, sustained a loss of Rx. 937,757. During the second-half of 1896 the net earnings fell short of the guaranteed interest and Government had to make good the deficiency and to bear also the loss by exchange on interest paid in England. The Bombay, Baroda and Central India Railway Company received Rx. 211,939 as surplus profits, while there was a loss to the State of Rx. 135,975. The Madras Railway received surplus profits of Rx. 144, while the loss to Government amounted to Rx. 336,638.

59. In the following statement the results to the State of the working of these railways for the last five years are exhibited :—

GAIN OR LOSS (+ OR —).

RAILWAYS.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
	Rx.	Rx.	Rx.	Rx.	Rx.
Great Indian Peninsula .	—377,138	—418,409	—1,022,715	—732,933	—937,757
Bombay, Baroda and Central India	+1,719	+22,988	—19,010	+57,088	—135,975
Madras	—400,727	—349,513	—462,413	—357,099	—336,638
TOTAL .	—776,146	—744,934	—1,504,138	—1,032,944	—1,410,370

60. The following statement shows the total amount paid on account of guaranteed interest to each of the Guaranteed Railway Companies still in existence on 31st March 1897, the net Revenue of the several lines to the 31st of December 1896, appropriated towards the repayment of that amount and the balance. For the purposes of this statement, the net revenue and the guaranteed interest paid in India are converted at the contract rates of exchange. The amounts shown as guaranteed interest paid in England represent true sterling :—

RAILWAYS.	GUARANTEED INTEREST ADVANCED TO 31ST MARCH 1897.			Aggregate of net revenue balances for the several half-years to 31st December 1896, inclusive—less moieties of surplus profits repaid to Companies.	Net amount advanced.
	In England.	In India.	TOTAL.		
	£	£	£	£	£
Great Indian Peninsula .	38,266,180	479,173	38,745,353	35,340,031	3,405,322
Bombay, Baroda and Central India	13,392,524	97,846	13,490,370	12,576,353	914,017
Madras	18,142,406	3,286	18,145,692	9,833,782	8,311,910
TOTAL .	69,801,110	580,305	70,381,415	57,750,166	12,631,249

SECTION C.

SUBSIDIZED COMPANIES.

(*Major heads XXV III and 40.*)

61. The transactions in connection with subsidized railways which appear in the Government accounts under the heading Subsidized Companies represent—

Under *Revenue*, Head XXVIII.—Repayments of advances of interest.

Under *Expenditure*, Head 40—Cost of land supplied free, subsidies paid and advances of interest.

(*i*) *Repayments of Advances of Interest.*

62. The amounts credited as Revenue under this head comprise repayments of advances of interest by the Rohilkhund-Kumaon Railway Company and by the Mysore Durbar on account of the Mysore Railway.

63. In the case of the Rohilkhund-Kumaon Railway, the State advanced interest at the rate of 4 per cent. per annum on the Company's share capital while the line was under construction. In consideration of this payment the State is entitled, under the terms of the contract, to a moiety of any surplus earnings, after meeting working expenses, interest on borrowed capital, if any, and a sum sufficient to pay a dividend at the rate of 5 per cent. per annum on the Company's share capital, until such time as the interest advanced by the Secretary of State, together with interest thereon at the rate of 4 per cent. per annum, shall have been repaid. The following is a summary of the advances and repayments of interest :—

YEAR.	Advances.	REPAYMENTS.	
		England.	India.
	Rx.	Rx.	Rx.
1882-83	432	...	...
1883-84	4,667	...	...
1884-85	7,986*	...	...
1885-86	...	...	119
1886-87	...	...	32
1889-90	...	91	...
1890-91	...	975	...
1891-92	...	1,427	...
TOTAL .	13,085	2,493	151

64. The payment by the Mysore Durbar on account of the Mysore State Railway represents the net charge for interest paid by Government to the Southern Mahratta Railway Company in connection with the Mysore Railway. The Secretary of State, acting on behalf of the Mysore State, has guaranteed the interest on the capital raised by the Southern Mahratta Railway Company for the construction of the Mysore Railway, and the Durbar makes good the excess of interest over net revenue, and will receive any excess of net revenue over interest charges. The receipts and working expenses and interest charges of the Mysore Railway are recorded in the Government accounts under their respective Railway heads, and the recovery from the Mysore Durbar of the net amount of interest only (*i.e.*, interest on capital expended *minus* net receipts), is credited under this head.

* Interest (£295) realised from investment of funds deposited by the Company for a fixed period has been taken in reduction of advances.

65. The amount recovered from the Mysore Durbar during 1896-97 was Rx. 24,052 arrived at as under :—

	Rx.
Interest on capital	79,720
Less—Charge borne by Government for interest on the unexpended balance of the capital retained in their hands .	6,448
Net receipts . . . . . Remainder .	73,272
	49,220
Net charges for interest recovered from the Mysore Durbar .	24,052
Compared with, for 1895-96	25,252
" " 1894-95	41,694
" " 1893-94	34,054
" " 1892-93	17,883
" " 1891-92	31,567

(ii) Land, Subsidies and Advances of Interest.

66. The charges for land, subsidies and advances of interest are borne partly by Imperial and partly by Provincial revenues. The items falling on the Imperial Government are charges for land, provided free of cost under the terms of the contracts, in connection with the Mymensing-Jamalpur, South Behar, Segowlie-Raksaul, Bengal and North-Western, Delhi-Umballa-Kalka, Southern Punjab, Nilgiri, Ahmedabad-Parantij and Tapti Valley Railways.

67. The charges debited to Imperial Funds during 1896-97 were—

		Rx.
Mymensing-Jamalpur Railway	(Land charges) .	418
South Behar Railway	(") .	1,955
Segowlie-Raksaul Railway	(") .	700
Bengal and North-Western Railway	(") .	39,916
Delhi-Umballa-Kalka Railway	(") .	311
Southern Punjab Railway	(") .	23,115
Nilgiri Railway	(") .	1,358
Ahmedabad-Parantij Railway	(") .	6,752
Tapti Valley Railway	(") .	432
	TOTAL .	74,957

68. The charges borne by the Provincial Governments are—

Assam.—An annual subsidy, payable to the Assam Railways and Trading Company, Limited, on account of the Dibru-Sadiya Railway, of such amount—subject to a maximum of Rs. 1,00,000—as, together with net earnings of the Railway, shall be sufficient to yield a return of 5 per cent. per annum on Capital outlay ; and a share of the pay and allowances of the Examiner of Public Works Accounts, Assam.

Bengal.—Charges for land which has, under the terms of the contracts, to be provided free of cost to the Tarkessur, Dooars, and Deoghur Railways.

69. The amounts debited against Provincial Revenues during 1896-97 were—

	Rx.
Dibru-Sadiya Railway (Subsidy and audit)	10,075
Dooars Railway (Land)	—12
TOTAL .	10,063

70. The total charges in connection with each line to the close of 1896-97 will be found in the statement attached to this note as Schedule D.

Comparison with Actuals of 1895-96 and the Budget and Revised Estimates.

71. The actual receipts during the year under head XXVIII compare with the actuals of 1895-96 and the Budget and Revised Estimates as under :—

	Actuals, 1896-97.	Revised Estimate.		Budget Estimate.		Actuals, 1895-96.
		Estimate.	Actuals, more or less.	Estimate.	Actuals, more or less.	
XXVIII.—Subsidized Companies.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Rohilkhund-Kumaon . .	...	...	...	...	...	...
Mysore	24,052	24,900	—848	28,100	—4,048	25,252
TOTAL .	24,052	24,900	—848	28,100	—4,048	25,252

No provision was made in the estimates on account of the Government share of surplus earnings of the Rohilkhund-Kumaon Railway for the year 1895 owing to there being unsettled questions as to the amount of that share. This matter has since been settled.

The difference between the actuals and the Revised and Budget Estimates of the repayment by the Mysore Durbar was due to the Capital outlay on the railway having been less than estimated for and consequently to a larger charge having to be borne by Government for interest on the unexpended balance of the Capital retained in their hands.

72. The actual expenditure during the year under head "40" compares with the actuals of 1895-96 and the Budget and Revised Estimates as under :—

	Actuals, 1896-97.	Revised Estimate.		Budget Estimate.		Actuals, 1895-96.
		Estimate.	Actuals, more or less.	Estimate.	Actuals, more or less.	
40.—Subsidized Companies—	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Imperial	74,957	92,000	—17,043	98,100	—23,143	8,134
Provincial	10,063	10,100	—37	10,100	—37	10,117
TOTAL .	85,020	102,100	—17,080	108,200	—23,180	18,251

73. The increase as compared with the actuals of the previous year was due to expenditure having been incurred for the first time on land for the Mymensingh-Jamalpur, Segowlie-Raksaul, Southern Punjab, Ahmedabad-Parantij and Tapti Valley Branch Railways.

74. The lapse under *Imperial* as compared with the Budget and Revised Estimates occurred on the following lines :—

South Behar Railway.—The lapse as compared with the Budget and Revised Estimates is attributed to the withholding of awards in consequence of late sanction to the land acquisition estimates.

Segowlie-Raksaul Railway.—The lapse as compared with the Revised Estimate is due to the work of acquiring land having been started late in the year.

Bengal and North-Western Railway.—The lapse as compared with the Budget and Revised Estimates is due to short payment of compensation charges in the districts of Ballia, Azamgarh, Benares and Ghazipur for land required for the Ganges-Gogra Doab lines.

Southern Punjab Railway.—The lapse as compared with the Budget Estimate was due to the requirements for the year having been over-estimated.

Tapti Valley Railway.—The lapse as compared with the Revised Estimate is attributed to arrangements for the acquisition of land having been made late in the year.

Ahmedabad-Parantij Railway.—The expenditure on this line exceeded the provision made in the Budget Estimate owing to the cost of the land taken up during the previous year having been passed on and adjusted by the Civil Department during the year under review.

SECTION D.

41.—Miscellaneous Railway Expenditure.

75. The following expenditure is recorded under this head :—

(*a*) Outlay on surveys.
(*b*) Surplus Establishment and Miscellaneous charges.
(*c*) Director-General of Railways' Establishment (share of—).
(*d*) Port Store-keepers' Establishment.
(*e*) Abt material and engine suspense account.
(*f*) Land charges in connection with Native States Railways.
(*g*) Watch and ward charges in connection with the Frontier Railway Reserve material.

During the year under review the expenditure incurred in taking up land for the Meiktila-Myingyan Railway undertaken for famine relief purposes has also been charged to this head.

76. At the commencement of the year 1896-97, the following surveys were in hand:—

Imperial.

Assam-Burma Connection.
Assam-Bengal-Lakhimpur.
Cooch Behar-Santrabari.
Eastern Bengal State Railway Extensions and Branches.
Ghaziabad-Moradabad.
Hoshiarpur-Jullundur-Kapurthala.
Arsikere-Mangalore.

77. Under clause 9 of the contract, dated the 12th February 1889, with the Delhi-Umballa-Kalka Railway Company, the Company were required to pay the cost of all surveys undertaken by Government since July 1883 with a view to facilitating and expediting the construction of the railway between Umballa and Kalka. A sum of Rx. 886 was refunded by the Company on this account during 1896-97 and has been credited to this head. A sum of Rx. 2,000, representing a part of the expenditure incurred by Government on the Kashmir Railway Survey, was refunded by the Kashmir Durbar during the year.

78. During the course of the year the undermentioned surveys were undertaken by the Imperial Government:—

Godhra-Baroda Survey.—A further survey for a chord line from Baroda to Godhra on an alignment which avoids the Vishwamitri river and follows a westerly course *viâ* Pilol and Gungaria to the Karod river crossing at Bacha and thence to Godhra. The distance is 44 miles and the estimated cost Rs. 8,029.

Kaunia-Dhubri Survey.—A survey for a proposed branch on the metre-gauge from Mogalhat, on the Kaunia-Dharlla branch, to Dhubri on the Brahmaputra, which would form part of the main route from the North-Western Provinces and Behar to Assam, at an estimated cost of Rs. 9,927.

Ranaghat-Bhagwangola-Raiganj Survey.—Reconnaissance surveys of extensions of the Eastern Bengal State Railway from Ranaghat Station to Bhagwangola, a distance of 93 miles, including the investigation of a site for a bridge over the Ganges at or near Godagari, and from Rampur Bauleah *viâ* Godagari and Maldah to Raiganj with a branch from Godagari to Sultanpore and another from Maldah to Katihar, a distance of 172 miles. These surveys are estimated to cost Rs. 63,148.

Fareedpur-Samjhia-Rampur Bauleah Survey.—Surveys for branch lines from Panchooria to Fareedpur on the broad-gauge, a distance of 14½ miles; from Phulbaria to Samjhia on the metre-gauge, a distance of 13½ miles; and from Natore to Rampur Bauleah on the metre-gauge, a distance of 24½ miles. The cost of these surveys was estimated at Rs. 4,501.

Sakri-Jainagar-Bairagnia-Bagaha Surveys.—Surveys from Sakri to Jainagar, a distance of 29 miles, and from Bettiah *viâ* Singarpur to Bagaha, a distance of 50 miles, were undertaken with a view to work being commenced on them if required for purposes of famine relief. Estimated cost Rs. 39,714.

Hurpalpur-Rath-Nowgong Survey.—The survey of a tramway proposed from Hurpalpur Station on the Jhansi-Manikpur section of the Indian Midland Railway to Rath on the north, a distance of 27 miles, and to Nowgong on the south, a distance of 19 miles, at an estimated cost of Rs. 1,215.

Agra-Delhi Chord line Survey.—A line from Agra to Delhi was first projected and earthwork commenced in 1856-57, and the Delhi Muttra Road is laid on the bank then thrown up for a length of about 18 miles, and a navigable canal has since been constructed along 3 miles of the former alignment near Delhi. The present survey was commenced in December 1896, in order that the line might, if necessary, be utilised as a famine relief work. The length of line surveyed is about 121 miles, and the cost of the survey is estimated at Rs. 31,600.

Hurdwar-Dehra Survey.—A survey for finally locating a line of railway on the standard gauge in extension of the Hurdwar branch of the Oudh and Rohilkhand Railway to Dehra Dun and Rajpur was commenced in January 1897 on behalf of the Hurdwar-Dehra Branch Railway Company. The cost of the survey is estimated at Rs. 17,850.

Ludhiana-Dhuri Survey.—A survey for a line of Railway from Ludhiana *viâ* Dhuri, on the Rajpura-Bhatinda Railway to Tohana, a total distance of 84 miles. The proposed line lies partly within the Malerkotla and Patiala States, and the survey was carried out at the request, and partly at the cost, of the respective Durbars, as they desired to commence the earthwork for famine relief, should necessity arise.

79. Towards the close of the year the Government of Bombay carried out a survey from Barsi to Pundharpur at the cost of Provincial Funds. This survey was undertaken with the object of extending the line lately constructed by the Barsi Light Railway Company from Barsi Road to the town of Barsi. A further sum of Rx. 28 was expended during the year from Provincial Funds by the Local Government, Burma, towards the cost of completing and tracing the plans of the Bassein-Henzada survey. A sum of Rx. 35 was set aside by the Local Government for this purpose.

80. The expenditure incurred during the year 1896-97 amounted to Rx. 63,901 as under:—

	Rx.
Imperial	63,690
Provincial	211
	63,901

The Imperial outlay includes the following:—

	Rx.
Outlay on surveys	21,450
Surplus Establishment and Miscellaneous charges	18,105
Director General of Railways' Establishment (share of—)	16,224
Port Store-keepers' Establishment	2,389
Land charges in connection with Native States Railways	2,296
Watch and ward charges in connection with the Frontier Railway Reserve material	849
Land for Railways undertaken for famine relief purposes	2,377
Total	63,690

81. Details of the outlay on surveys will be found in the statement attached to this review as Schedule E.

82. The items debited during 1896-97 under "Surplus Establishment and Miscellaneous charges" were—

	Rx.
Leave allowances (other than privilege leave) of pensionable employés of the Rajputana-Malwa Railway	789
Leave allowances of the following:—	
Mr. J. Partridge, Examiner of Accounts	61
Babu Rai Churn Chatterjee	32
„ Bhai Lall	35
„ Mahabir Sinha	20
„ Preonath Chatterjee	13
„ Mungoo Ram, Accountant	43
„ B. N. Bhattacharjee, Hospital Assistant	13
„ A. C. Moodliar	13
Mr. E. A. Coello, Accountant	72
„ J. Manson, Agent and Chief Engineer, Southern Punjab Railway, refund of furlough allowance paid in excess	—95
Carried over	996

	Rx.
Brought forward	996
Salaries and travelling allowances of the following :—	
Mr. F. B. Hebbert, class I, grade I, Superior Revenue Establishment	
„ G. I. Nixon, Assistant Engineer	652
„ J. Robb, Foreman, North-Western Railway	239
Bonuses, etc.—	40
Contribution to Clerks' Provident Fund	
Bonus to Mr. Reilly for use of his patent connection for gates at level-crossings	235
Expenditure incurred in replacing works in the Delhi Station yard	250
Value of a suite of three carriages presented to His Highness the Maharaja Scindia	6,985
Expenditure incurred in fitting up an experimental pile engine on the North-Western Railway	8,387
Alterations to His Excellency the Commander-in-Chief's Saloon Carriage	12
Mr. J. G. M. O'Hara, Assistant Engineer, language reward	217
Cost of making plans of the Kalka-Simla Railway	50
Petty items	10
	32
TOTAL	18,105

83. The amount debited to this head on account of the establishment of the Director General of Railways represents half the fixed monthly charge of Rs. 21,000 debited by the Civil Department, under the authority of Public Works Department Resolution No. 6125, dated 9th November 1888, and half the actual salary and travelling allowances of the Consulting Engineer to the Government of India for State Railways. The other moiety of these charges is debited to the Major head "39.—Guaranteed Companies—Land and Supervision."

84. The amount shown under Port Store-keepers' Establishment represents—

	Rx.
(1) The cost of the Port Store-keeper's Office at Calcutta	2,200
(2) Establishment entertained by the Marine Store-keeper, Bombay, in connection with the local purchase of stores for State Railways	189
TOTAL	2,389

Comparison with Actuals of 1895-96 and the Budget and Revised Estimates.

85. The actual outlay during the year under "41.—Miscellaneous Railway Expenditure" compares with the actuals of 1895-96 and with the Budget and Revised Estimates as under :—

HEAD OF ACCOUNT.	Actuals, 1896-97.	REVISED ESTIMATE.		BUDGET ESTIMATE.		Actuals, 1895-96.
		Estimate.	Actuals, more or less.	Estimate.	Actuals, more or less.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
41.—Imperial	63,690	61,700	+1,990	87,000	—23,310	71,623
41.—Provincial	211	...	+211	...	+211	26
TOTAL	63,901	61,700	+2,201	87,000	—23,099	71,649

86. The lapse under *Imperial* as compared with the Budget Estimate was due to the amounts set aside for certain surveys not having been fully utilised and to other surveys, provision for which was made in the Budget Estimate, not having been undertaken during the year.

SECTION E.

STATE RAILWAYS—CONSTRUCTION EXPENDITURE.

Major heads 34, 37, 48 and 51.

87. At the beginning of the year under review the following railways or sections were under construction :—

	Miles.
By State Agency—	
North-Western Railway, Lyallpur to Toba-Tek-Singh	48
Oudh and Rohilkhand Railway, Najibabad-Kotdwara section	15¼
East Coast Railway	55
Rae Bareli-Benares Railway	139
Bezwada-Madras Railway, Ennur-Bezwada section	230
Kotri-Rohri (chord line)	184¼
Mushkaf-Bolan Railway	87
Mari-Attock Railway	80
Burma State Railway, Mu Valley section	37
Cawnpore-Burhwal (Ramnagar) (metre gauge link)	79
Mandalay-Kunlon	224
By Agency of Companies—	
Godhra-Rutlam Railway, Rutlam-Nagda section	25¼
East Indian Railway extension (Moghal Sarai-Gya)	130
Tirhoot Railway extensions	162
Bengal and North-Western Railway extensions	325¼*

88. The section of the line from Rutlam to Nagda is treated as a part of the Godhra-Rutlam-Nagda Railway. The section from Nagda to Ujjain, 34½ miles in length, has been constructed from funds provided by the Gwalior Durbar.

89. During the course of the year, construction was commenced on the following new lines and extensions :—

	Miles.
North-Western Railway—	
Toba-Tek-Singh to Khanewal	56
Eastern Bengal Railway—	
Panchooria to Faridpur	14½

90. In the Budget Estimate a sum of Rx. 5,994,700 was provided for Capital expenditure on State Railways as under :—

	Rx.
34.—Construction of Protective Railways	473,500
37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance)	14,500
48.—State Railways—Construction	5,506,700
TOTAL	5,994,700

and this sum was distributed for expenditure as follows :—

	Rx.
For outlay in England (treated as final charges in the Home accounts)	1,243,000
For outlay in India	3,825,100
„ Exchange	926,600
TOTAL	5,994,700

* The expenditure on these extensions will be met from Company's Capital.

91. The allotments to lines were as below :—

By State Agency—		Rx.
Mu Valley		100,000
East Coast, including Bezwada extension		197,800
Open lines, including stores		814,100
Cawnpore-Lucknow-Gogra, Linking-up Scheme		9,600
Wazirabad-Lyallpur		92,500
North Western Railway, Gradient Improvement Works		—10,000
Mari-Attock		300,000
Mushkaf-Bolan		195,000
Kotri-Rohri		500,000
Mandalay-Kunlon		620,000
Rae Bareli-Benares		240,000
Bezwada-Madras, Ennur-Bezwada section		800,000
	TOTAL	3,859,000
By Agency of Companies—		
Rutlam-Ujjain, Rutlam-Nagda section		47,500
Hajipur-Katihar extensions		400,000
Assam-Bengal { Land		150,000
Assam-Bengal { Construction		1,600,000
Open lines		1,051,900
	TOTAL	3,249,400
Total specially allotted		7,108,400
Indents thrown forward		84,000
Add—		
Reserve		92,100
	TOTAL	7,284,500
Deduct—		
Amount provided for East Indian Railway from debentures raised by Company	737,800	
Amount available from subscribed capital and debentures of Assam-Bengal Railway Company	552,000	
		1,289,800
	GRAND TOTAL	5,994,700

92. The grant was modified during the year as shewn below and the amount available ultimately stood at Rx. 5,421,800 :—

	Rx.
Deduct—	
Estimated expenditure on the Burma Railways subsequent to 31st August 1896 to be met from Company's Capital and transferred to Section S.—Capital Account of Indian Railway Companies	585,400
Add—	
Transfer from 49.—Irrigation	12,500
Net reduction	572,900

93. The Revised Estimate was submitted for Rx. 3,833,900 or for Rx. 1,587,900 less than the amount of the grant available.

This decrease, as shown below, was made up of lapses on the special grants for the East Indian and Assam-Bengal Railways, and for the extensions of the Tirhoot State Railway which were held to be not available for transfer to other Railways, and of a sum of Rx. 757,000 by which the debentures to be raised by the East Indian Railway Company during 1896-97 were in excess of the estimated expenditure on that line. Under the procedure approved of by the Secretary of State in his Despatch No. 136 (Financial), dated the 13th August 1896, the equivalent in Indian currency of debentures raised by the East Indian Railway has been deducted from the total estimated expenditure on State

Railways not charged against Revenue, including the outlay on the East Indian Railway :—

	Rx.
On lines classed as 37.—Construction of Railways	500
East Indian Railway	112,200
Assam-Bengal Railway	538,200
Tirhoot Railway extensions	180,000
	830,900
Add—Excess of East Indian Railway debentures over expenditure	757,000
	1,587,900

94. The amount of the Revised Estimate, *viz.*, Rx. 3,833,900, was provided as follows :—

	Rx.
34.—Construction of Protective Railways	...
37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance)	14,000
48.—State Railways—Construction	3,819,900
TOTAL	3,833,900

and was distributed for expenditure as under :—

	Rx.
For outlay in England	1,091,000
„ „ India	2,022,800
For Exchange	720,100
TOTAL	3,833,900

95. The actual outlay amounted to Rx. 4,256,724 as under :—

	Rx.
In England	1,146,843
„ India	2,352,009
Exchange	757,872
TOTAL	4,256,724

resulting in a lapse of Rx. 1,737,976 on the Budget Estimate, and an excess of Rx. 422,824 on the Revised Estimate of the year. Compared with the Revised Estimate, the actuals in India and in England are as follows :—

	Revised Estimate.	Actuals.	ACTUALS.	
			More.	Less.
	Rx.	Rx.	Rx.	Rx.
England	1,091,000	1,146,843	55,843	...
India	2,022,800	2,352,009	329,209	...
Exchange	720,100	757,872	37,772	...
TOTAL	3,833,900	4,256,724	422,824	...

96. The distribution of the outlay of the year by finance heads is as under :—

	Rx.
34.—Construction of Protective Railways	...
37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance)	12,750
48.—State Railways—Construction	4,243,974
TOTAL	4,256,724

97. No expenditure was incurred during the year in connection with the redemption of liabilities.

Comparison with the Budget and Revised Estimates.

98. In the statement attached to this review as Schedule F will be found full details of the expenditure of the year compared with the Budget and Revised Estimates, and showing the details of classification by Fund heads. The following is a general abstract :—

Railways.	Actuals, 1896-97.	Budget Estimate.		Revised Estimate.	
		Estimates.	Actuals + more or − less.	Estimates.	Actuals + more or − less.
	Rx.	Rx.	Rx.	Rx.	Rx.
Expenditure by State Agency.					
Open lines *	973,298	843,800	+129,498	971,000*	+2,298
Mu Valley	51,180	100,000	−48,820	50,600	+580
Kotri-Rohri	440,194	511,000	−70,806	420,100	+20,094
Mandalay-Kunlon	116,169	620,000	−503,831	115,400	+769
Rae Bareli-Benares	254,243	240,000	+14,243	257,100	−2,857
Wazirabad-Lyallpur	78,097	92,500	−14,403	78,700	−603
Mushkaf-Bolan	170,202	195,000	−24,798	210,200	−39,998
Mari-Attock	379,238	300,000	+79,238	373,700	+5,538
East Coast	288,468	197,800	+90,668	292,800	−4,332
Bezwada-Madras, Ennur-Bezwada Section	797,487	800,000	−2,513	841,800	−44,313
Cawnpore-Burhwal	23,194	9,600	+13,594	27,500	−4,306
Lyallpur-Khanewal	6,039	...	+6,039	5,000	+1,039
Godavari Bridge	17,286	...	+17,286	21,000	−3,714
Stores (fluctuations in reserve) and stores in transit	117,702	33,300	+84,402	−4,100	+121,802
Jullundur-Hoshiarpur	1,689	...	+1,689	...	+1,689
Ludhiana-Ferozepore	2,254	...	+2,254	...	+2,254
Total	3,716,740	3,943,000	−226,260	3,660,800	+55,940
Expenditure by Agency of Companies.					
Open lines	684,870	1,051,900	−367,030	766,500	−81,630
Rutlam-Nagda	−5,011	47,500	−52,511	−1,500	−3,511
Assam-Bengal (Construction)	1,100,586	1,048,000	+52,586	614,800	+485,786
,, (Land)	41,028	150,000	−108,972	45,000	−3,972
Hajipur-Katihar extensions	154,212	400,000	−245,788	220,000	−65,788
Total	1,975,685	2,697,400	−721,715	1,644,800	+330,885
Reserve	...	92,100	−92,100	−34,700	+34,700
Deduct—Amount provided for Capital outlay on East Indian Railway by the issue of sterling debentures	−1,435,701	−737,800	−697,901	−1,437,000	+1,299
GRAND TOTAL	4,256,724	5,994,700	−1,737,976	3,833,900	+422,824
Distributed as under :—					
England	1,146,843	1,243,000	−96,157	1,091,000	+55,843
India	2,352,009	3,825,100	−1,473,091	2,022,800	+329,209
Exchange	757,372	926,600	−168,728	720,100	+37,772
Total	4,256,724	5,994,700	−1,737,976	3,833,900	+422,824

* Includes Frontier Railway Reserve material and the Rajbari-Fareedpur Railway.

Budget Estimate.

99. The more important variations from the Budget Estimate are explained below :—

State Agency.

Open Lines.—The actuals exceeded the Budget Estimate by Rx. 129,498, the principal variations being as follows :—

An excess on the Eastern Bengal State Railway due to the construction of new works at Chitpore and to the purchase of eight locomotive engines from the East Coast Railway. These items were not provided for in the Budget Estimate.

An excess on the North-Western Railway due to the completion of the double line between Karachi and Kotri; to charges for engines returned from the Mushkaf-Bolan Railway and for surplus stores taken over from the Wazirabad-Lyallpur Railway; and to larger purchases of English stores.

A lapse on the Warora Colliery due to the sale of certain machinery to the Umaria Colliery, provision for which was not made in the Budget Estimate; to the abandonment of the proposal for putting down Worthington pumps; and to work in connection with the roofing, tiling, etc., of the engine house at No. 9 pit not having been completed before the close of the year.

During the course of the year, *viz.*, from the 1st September 1896, the railways in Burma (Burma, Mu Valley and Mandalay-Kunlon) were handed over for working and completion to the Burma Railways Company, and the unexpended grant on that date allotted from Imperial funds was accordingly withdrawn. The capital requirements of these lines from the date noted above have been met from funds provided by the Company, and the expenditure is dealt with in Section G. Capital Account of Indian Railway Companies. In the Budget Estimate provision was made for the requirements of the whole year, while the actuals represent the transaction of five months only, from April to September 1896; no useful comparison can therefore be made.

A lapse on the Oudh and Rohilkhand Railway due to certain works having been temporarily postponed or deferred for different causes and to very extensive sales of old rails and surplus plant and stores.

Lines under construction.—The actuals fell short of the Budget Estimate by Rx. 355,758. The lapse was due chiefly to the transfer during the course of the year of the Mu Valley and Mandalay-Kunlon Railways to a Company, the unexpended portion of the funds allotted under head 48 being withdrawn. The facts connected with this transfer are referred to above. The lapse would have been much larger, but for an excess under Stores Transactions, the result of large payments for stores not invoiced before the accounts of the year were closed :—

The lapse on the Kotri-Rohri Railway is attributed to the late arrival from England of plant for the Kotri bridge and to reduction of establishment charges, owing to the amalgamation of divisions and economy in offices.

The lapse on the Wazirabad-Lyallpur Railway was due to the transfer of stores to the North-Western Railway and to smaller purchases of English stores than were anticipated in the Budget Estimate.

The lapse on the Mushkaf-Bolan Railway was due chiefly to the transfer of the value of rolling stock to the North-Western Railway and to smaller purchases of English stores.

The excess on the Rae Bareli-Benares Railway was due to more work having been carried out than was contemplated when the Budget Estimate was framed.

The excess on the Mari-Attock Railway was due to greater progress having been made in construction than was contemplated in the Budget Estimate.

The excess on the East Coast Railway was due to larger expenditure on English stores than was anticipated and to heavier expenditure than was provided for, chiefly on the Kurda-Puri section, so as to admit of its early opening.

The excess on the Cawnpore-Burhwal Railway was due partly to short outlay in the previous year, involving heavier expenditure in the year under review in order to complete works; partly to an insufficient estimate for ballasting which had to be brought up to full section on transfer of work to the open line, and partly to additional works having been undertaken.

Construction was started during the course of the year on the Lyallpur-Khanewal Railway and the Godavari bridge and the necessary allotments of funds were made.

Companies' Agency.

Open lines.—The actuals fell short of the Budget Estimate by Rx. 367,030. The principal variations on individual lines are as under:—

In Budget orders a sum of Rx. 850,000 was provided to meet capital expenditure to be incurred on the East Indian Railway, and it was assumed the Company would raise by means of debentures £400,000 (equivalent, at the estimated rate of exchange adopted, to Rx. 711,100 in Indian currency), the capital so raised being taken in reduction of expenditure under head 48 in accordance with the Secretary of State's instructions. The actual outlay incurred during the year amounted to Rx. 649,421 or Rx. 200,579 less than the provision made for expenditure in the Budget Estimate, and the Company actually issued debentures to the extent of £800,000, equivalent in Indian currency to Rx. 1,435,701. This caused the large lapse, as compared with the provision made in the Budget Estimate. The lapse of Rx. 200,579 in expenditure is stated to be due partly to short outlay on the Moghal Sarai-Gya Railway, and partly to less work having been carried out under the head Permanent-way than was provided for.

The lapse on the Rajputana-Malwa Railway is attributed to certain works on the Godhra-Rutlam Railway provided for in the Budget Estimate not having been sanctioned; to the work of strengthening girders on the Holkar State Railway not having been sanctioned; to the transfer of the expenditure incurred on the reconstruction of a bridge to Revenue; to the work in connection with the fencing of the Rewari-Ferozepore Railway not having been undertaken owing to the late receipt of sanction; to provision made for Ballasting and Permanent-way not having been utilised for want of sanction; to the transfer of expenditure on works for the Delhi-Umballa-Kalka Railway at Delhi to the head 41.—"Miscellaneous Railway Expenditure"; to short outlay on watering arrangements at Bhiwani station; to the provision made for unsanctioned works not having been utilised; to the requirements for rolling stock having been over-estimated; to smaller outlay on English stores, short purchases of coal, and of running and miscellaneous stores; and to larger credits having been received from sales of stores and on account of work done in the shops.

The lapse on the Wardha Coal State Railway was due to the renewal of 60 feet girders not having been put in hand owing to the estimate not having been sanctioned.

The lapse on the Tirhoot State Railway was due to the provision made for land at the Samastipur junction, Mozufferpur and Semaria Ghât, not having been utilised, the Civil authorities not having intimated

any charges on this account; to short outlay on bridge-work owing to work in connection with the changing of girders over the Boor Gunduck, Kardi and Bhagmatti bridges not having been carried out; and to short outlay on English stores.

The lapse on the South Indian Railway was due to the execution of several large works, provision for which was made in the Budget Estimate, being postponed and to smaller purchases of English stores.

Lines under construction.—The actuals fell short of the Budget Estimate by Rx. 354,685. The more important variations are as under:—

The lapse on the Rutlam-Nagda Railway is attributed to short outlay under Formation, Bridge-work and Ballast and Permanent-way; to larger issues of stores to the Nagda-Ujjain Railway, and to the transfer of surplus materials to the Rajputana-Malwa Railway.

In the Budget Estimate of the Assam-Bengal Railway a sum of Rx. 1,600,000 was provided to meet the estimated expenditure on the line during the year. Of this sum Rx. 1,048,000 was provided from Government funds, and the balance Rx. 552,000 represented the estimated equivalent of £316,100, which it was expected that the Company would raise and pay in during the year. The amount actually paid in by the Company, however, amounted to £8,030 (equivalent to Rx. 13,945), representing the balance of their share capital. The debentures amounting to £300,000, which the Company was expected to raise in March 1897, were not paid to the Secretary of State until after the close of the year under review. The total outlay on the Railway during the year amounted to Rx. 1,114,531, of which Rx. 13,945, representing the equivalent of the capital paid in by the Company, has been accounted for under the head Capital account of Indian Railway Companies, and the difference, Rx. 1,100,586, has been charged against Government funds in accordance with the terms of clause 43 of the contract. Compared with the total provision made in the Budget Estimate there is a lapse of Rx. 485,469, which is attributed to the requirements in India having been over-estimated and to smaller expenditure on English stores than was anticipated.

The lapse on the provision made for land for the Assam-Bengal Railway was due to the requirements of Land Acquisition officers having been over-estimated, reliable information not having been available at the time of the preparation of the Budget Estimate.

A sum of Rx. 400,000 was provided in the Budget Estimate for expenditure on the Hajipur-Katihar extensions, but an allotment of funds was not made until later on during the year. The actual expenditure incurred amounted to Rx. 154,212, the lapse being due chiefly to short expenditure on English stores and to the work of construction not having been pushed on to the extent anticipated.

REVISED ESTIMATE.

100. Compared with the Revised Estimate, the principal variations and the reasons assigned for them are briefly as follows:—

State Agency.

Open lines.—The actuals approximate closely to the Revised Estimate, the result being a small excess of Rx. 2,298. The more important variations on individual lines are as under:—

An excess on the North-Western Railway due to charges for rolling stock transferred from the Mushkaf-Bolan Railway; to an adjustment between Capital and Revenue in respect of the Parkhel siding; to short recovery from the Kotri-Rohri Railway owing to late arrival of materials for construction of rolling stock; to the

purchase of Robson's estate; and to larger purchases of English stores.

A lapse on the Eastern Bengal State Railway due chiefly to the actual rate of exchange for the year having proved better than the estimated rate, and to larger issues of stores to Revenue than were provided for in the Revised Estimate.

A lapse on the Oudh and Rohilkhand Railway due chiefly to large sales of plant and surplus stores towards the close of the year; to short supplies of English stores; to the provision made for Bengal pig iron not having been utilised owing to the iron not having been supplied; and to savings on works.

Lines under construction.—The actuals were more than the Revised Estimate by Rx. 53,642.

The principal excesses were—

On the Kotri-Rohri Railway due chiefly to the actual receipts of stores from England being larger than were anticipated in the Revised Estimate.

On the Mari-Attock Railway due to larger purchases of English stores and to the purchase of sleepers in India in excess of the provision made.

Under Stores Transactions, due to large payments for stores not having been invoiced before the closing of the accounts of the year.

The principal lapses were—

On the Mushkaf-Bolan Railway due to the transfer of the value of rolling stock to the North-Western Railway; to smaller outlay than anticipated on works; and to smaller purchases of English stores.

On the Bezwada-Madras Railway due chiefly to wooden sleepers not having been supplied to the extent anticipated; to the actual rate of exchange for the year having proved better than the estimated rate; and to short receipt of English stores.

Companies' Agency.

Open lines.—The actuals fell short of the Revised Estimate by Rx. 81,630. The principal lapses occurred on the following lines:—

On the East Indian Railway due to less work having been executed on permanent-way and buildings both on the undertaking and on the Moghal Sarai-Gya extension than was anticipated. There was an excess under bridge-work due to expenditure in excess of allotment on the Sone Bridge.

On the Rajputana-Malwa Railway due chiefly to the causes enumerated in the comparison with the Budget Estimate and to a credit received for the sale of engines and ballast wagons to the Mombassa-Uganda Railway.

On the Tirhoot State Railway due generally to the causes mentioned in paragraph 99 above and to fluctuations in the suspense accounts.

Lines under construction.—The actuals exceeded the Revised Estimate by Rx. 412,515. This was due mainly to an excess of Rx. 485,786 on the Assam-Bengal Railway, owing to the charge to 48 being higher than was anticipated in consequence of the Company not raising debenture capital within the year as explained in paragraph 99 above. Compared with the total provision made for this Railway in the Revised Estimate, there was a lapse of

Rx.11,069, which is attributed to executive officers having over-estimated their requirements.

There was a lapse on the Hajipur-Katihar extension, which is attributed to short outlay on Land; to short outlay on Formation, consequent on the scarcity of labour and the late acquisition of land; and to short outlay on English stores.

101. *Total Capital Outlay.*—The total outlay incurred on State Railways up to the end of the year has amounted to Rx. 128,686,160 as under :—

	Rx.
Indian outlay	72,150,564
Debits to the Indian books by credits to "Expenditure in England" for value of English stores received, and other items charged off in England	56,535,596
TOTAL	128,686,160

the distribution being as follows :—

	Rx.
34.—Construction of Protective Railways	6,550,931
37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance)	6,506,039
Other expenditure on construction charged against Revenue, including Exchange prior to 1884-85	2,358,501
48.—Capital expenditure on State Railways not charged against Revenue	78,009,839
51.—Capital charges involved in redemption of liabilities	33,553,451
Outlay met from debentures raised by the East Indian Railway Company	1,707,399
TOTAL	128,686,160

102. Full details of the above will be found in the statement attached to this review as Schedule G.

SECTION F.

Capital Account of Guaranteed Companies.

103. Each of the Guaranteed Railway Companies has a sterling Capital. Under the respective contracts entered upon many years ago, funds required to meet expenditure in India are advanced at the fixed rate of exchange of 1*s.* 10*d.* the rupee, and advances in England when stated in Indian currency are converted at the same rate of 1*s.* 10*d.* the rupee. The figures relating to Capital expenditure in this section, where stated in sterling, represent as regards withdrawals by the Companies in England true sterling, and as regards withdrawals in India the equivalent in rupees at the rate of 1*s.* 10*d.*; where stated in Rx., sterling has been converted into rupees at the same rate.

104. The following table shows the amount of Capital raised to the 31st March 1897 :—

	Share Capital.		Debentures.		Debenture Stock.		Capital not bearing Interest.		Total.
	India.	England.	Nominal amount.	Cash received.	Stock represented.	Cash received.	India.	England.	
	£	£	£	£	£	£	£	£	£
Great Indian Peninsula	496,897	19,503,103	*2,970,900*	2,968,517	*2,701,450*	2,475,559	74,929	218,520	25,737,525
Bombay, Baroda and Central India .	21,672	7,528,628	*1,937,900*	1,937,900	...	...	...	29,568	9,517,768
Madras . . .	...	10,257,630	*800,000*	797,512	...	...	...	12,039	11,067,181
Total .	518,569	37,289,361	*5,708,800*	5,703,929	*2,701,450*	2,475,559	74,929	260,127	46,322,474

105. Interest on the Share Capital, Debentures, and Debenture Stock is guaranteed by the Secretary of State, the rates of interest being as under :—

	Great Indian Peninsula.	Bombay, Baroda and Central India.	Madras.	Total.
	£	£	£	£
Share Capital at 5 per cent. .	20,000,000	7,550,300	8,757,670	36,307,970
„ „ 4¾ „ .	...	...	999,960	999,960
„ „ 4½ „ .	...	...	500,000	500,000
Debenture Stock at 4 „ .	2,701,450	...	...	2,701,450
Debentures at 3¼ „ .	1,002,100	888,500	202,200	2,092,800
„ „ 3 „ .	1,068,800	300,000	337,800	1,706,600
„ „ 2¾ „ .	300,000	...	60,000	360,000
„ „ 2½ „ .	600,000	749,400	200,000	1,549,400
Total .	25,672,350	9,488,200	11,057,630	46,218,180

106. The average rate of interest payable in gold on the Capital of these Guaranteed Companies is a little over 4·67 per cent. Under the contracts, the State must continue to pay interest on the Share Capital at the rates guaranteed until the contracts terminate, and is consequently unable to obtain any advantage from the increasingly easy condition of the money

market. The State can now raise money at about 2½ per cent., but has to continue to pay 5 per cent. on the bulk of the Share Capital which, with the low exchange at the average rate for 1896-97, is equivalent to a payment of interest at a rate of about 7·76 per cent. on the sterling Capital converted at par.

107. The following table shows the amounts withdrawn by the several Companies on Capital account up to the 31st March 1897, and the balances of Capital at their credit or overdrawals at their debit on that date :—

	Paid up Capital.	Capital withdrawn.			Balance at	
		India.	England.	Total.	Credit.	Debit.
	£	£	£	£	£	£
Great Indian Peninsula . .	25,737,525	6,008,610	19,515,273	25,523,883	213,642	...
Bombay, Baroda and Central India	9,517,768	2,340,407	7,183,494	9,523,901	...	6,133
Madras	11,067,181	4,034,188	7,092,106	11,126,294	...	59,113
Total .	46,322,474	12,383,205	33,790,873	46,174,078	213,642	65,246

or, as stated in the Indian accounts, sterling being converted into rupees at the contract rates of exchange, the figures stand as under :—

	Paid up Capital.	Capital withdrawn.			Balance at	
		India.	England.	Total.	Credit.	Debit.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Great Indian Peninsula . .	28,077,300	6,554,847	21,289,389	27,844,236	233,064	...
Bombay, Baroda and Central India	10,383,020	2,553,171	7,836,539	10,389,710	...	6,690
Madras	12,073,288	4,400,932	7,736,843	12,137,775	...	64,487
Total .	50,533,608	13,508,950	36,862,771	50,371,721	233,064	71,177

108. The net Capital expenditure during the year on the Guaranteed Railways amounted to £261,569 as below :—

	Withdrawals.			Refunds.			Net withdrawals.
	In India.	In England.	Total.	In India.	In England.	Total.	
	£	£	£	£	£	£	£
Great Indian Peninsula .	357,282	196,585	553,867	600,462	740	601,202	—47,335
Bombay, Baroda and Central India	484,916	233,836	718,752	453,737	649	454,386	264,366
Madras	206,491	75,184	281,675	236,794	343	237,137	44,538
Total .	1,048,689	505,605	1,554,294	1,290,993	1,732	1,292,725	261,569

109. The large refunds in India represent chiefly the value of stores issued to Revenue for working and maintenance which, in the first instance, are paid for from Capital funds.

Comparison with Budget and Revised Estimates.

110. The following table compares the actual net withdrawals during the year, with the Actuals of 1895-96, and with the Budget and Revised Estimates of 1896-97 :—

	Actuals, 1896-97.	Revised Estimate.		Budget Estimate.		Actuals, 1895-96.
		Estimate.	Actuals, more or less.	Estimate.	Actuals, more or less.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Great Indian Peninsula .	—51,638	—37,500	—14,138	152,000	—203,638	42,648
Bombay, Baroda and Central India	288,399	310,200	—21,801	471,100	—182,701	275,559
Madras	48,587	60,200	—11,613	56,600	—8,013	28,972
Total .	285,348	332,900	—47,552	679,700	—394,352	347,179

111. The decrease in the actuals as compared with those of the previous year occurs principally on the Great Indian Peninsula Railway in connection with the net outlay in England on stores, etc., which, during the year under review, was nearly 6 lakhs less than the outlay in the preceding year. Larger receipts in India from issues of stores to Revenue and from sales to outsiders have also contributed to the decrease. The difference would have been greater but for the increased expenditure by the Bombay, Baroda and Central India Railway and Madras Railway Companies, chiefly on English stores. The decrease, as compared with the Budget Estimate in the case of all three lines, was due partly to smaller outlay on stores, etc., in England and India, and partly to larger receipts in India from sales of stores to outsiders. The difference between the Revised Estimate and the Actuals was comparatively small.

SECTION G.

(Capital of Indian Railway Companies.)

(Exclusive of the old Guaranteed Companies.)

112. The accounts reviewed in this section represent the capital transactions of the following Railway Companies :—

Bengal Central.
Bengal-Nagpur.
Indian Midland.
Southern Mahratta.
Mysore.
Rohilkhund-Kumaon (Lucknow-Bareilly Section).
Assam-Bengal.
Burma Railways.
* Ahmedabad-Parantij.
* South Behar.
* Mymensingh-Jamalpur.
* Brahmaputra-Sultanpur.
* Tapti Valley.
* Hurdwar-Dehra.

113. The capital of these Companies (excepting those marked with an asterisk) consists partly of share capital and debentures raised by the Companies direct on guarantees by the Secretary of State, and partly of advances made by the Secretary of State from funds raised by him under the provisions of Act 51 Vict., Cap. 5. The sums thus raised and advanced to the Companies are considered as part of the Companies' capital. Interest on such advances is charged against the Railway Revenue Account and has to be met before surplus profits can be declared.

114. The financial terms of the contracts, the rates of interest guaranteed, and the rates of exchange at which the capital is converted into Indian currency vary in each case. These points are briefly noted below.

115. *Bengal Central Railway.*—This line is the property of the Bengal Central Railway Company and is merely, as a matter of convenience, classed among State Railways. This Railway was originally constructed under a limited guarantee of interest at the rate of 4 per cent. per annum, while the line was under construction, such interest, together with interest thereon, being repayable out of surplus profits. A revised contract was, however, entered into, with effect from the 1st July 1885, under which the Company receives a guarantee of $3\frac{1}{2}$ per cent. on share capital and a quarter of net earnings paid half-yearly, the claim to the repayment of interest advanced under the original contract being at the same time waived. The capital of the Company on the 1st July 1885 amounted to £750,000. The whole of this amount was practically spent by the Company before Government took over the line, and its equivalent in Indian currency is held to be Rs. 90,82,343 the expenditure in rupees as exhibited by the Company's books. The balance of the Company's capital (including advances), *viz.*, £250,000 when stated in Indian currency is converted at the rate of 1*s.* 5·262*d.* the rupee.

116. *Bengal-Nagpur Railway.*—This Company receives a guarantee at the rate of 4 per cent. per annum on share capital, and is entitled to a quarter share of surplus profits,—*i.e.*, of the excess of net earnings over interest—calculated annually. The rate of exchange for the conversion of sterling capital into Indian currency as regards the main line has hitherto been £1=Rs. 13, but it has now been arranged that all further sterling capital raised for the Bengal-Nagpur Railway both for the main line and the extensions including the sum of £500,000 raised by debentures in 1896 should be converted at the average rate obtained for bills during the half-year preceding that in which the capital is received.

117. *Indian Midland Railway.*—This Company also receives a guarantee of 4 per cent. per annum on its share capital, and is entitled to a quarter share of surplus profits calculated annually. The rate of exchange for the conversion of sterling capital into Indian currency as regards the main line is £1=Rs. 12½, and as regards the Saugor-Katni extension, which is being constructed by the Company, £1 = Rs. 16½.

118. *Southern Mahratta Railway.*—This Company now receives a guarantee of 3½ per cent. (4 per cent. up to 31st December 1890) and a quarter of net earnings. The rates of exchange for the conversion of sterling capital into rupees are, as regards the capital (£530,957), specially raised for the completion of the Bellary-Kistna Railway, which was taken over by the Company £1 =Rs. 14, and for the remainder of the capital, £1 = Rs. 12. The Company also gets the advantage of outlay by the State on the construction of the Bellary-Kistna Railway to the extent of Rx. 1,657,841 without any charge for interest.

119. *Mysore Railway.*—This line was completed and is worked by the Southern Mahratta Railway Company. That Company raised sufficient funds by the issue of debenture stock to repay to the Mysore Durbar the outlay previously incurred by that State and to complete the extension linking up with the Southern Mahratta system. Acting on behalf of the Mysore Durbar, the Secretary of State has guaranteed interest at 4 per cent. on the nominal amount of the debenture stock issued. The Southern Mahratta Railway Company also receives a quarter of net earnings. The rate of exchange for conversion of the sterling capital into Indian currency is 1*s.* 5·931*d.* the rupee.

120. *Rohilkhund-Kumaon Railway* (*Lucknow-Bareilly Section*).—The Rohilkhund-Kumaon Railway Company took over, with effect from the 1st January 1891, the Bareilly-Pilibhit and the Lucknow-Sitapur State Railways, undertaking to complete the link between these lines and to work the whole with their own line of Railway. The Company agreed to raise capital to the extent of £160,000 by the issue of debentures, with the power to discharge any portion of this obligation by the payment of rupees in India, the amount so paid being deemed the equivalent of sterling money at the average rate of exchange during the half-year immediately preceding the date of such payment. The Company subsequently issued sterling debentures for £147,000, which sold for Rs. 20,34,195. This sum was paid into the Calcutta Treasury, and at the rate fixed by the contract, is deemed to be equivalent to a sterling payment of £160,837. The debentures were issued under a guarantee of the Secretary of State at the rate of 3¼ per cent. per annum. The previous outlay incurred by the State has not been refunded to Government, and it has been further agreed that any additional capital required shall be provided by the Secretary of State. Any surplus profits after paying the debenture interest and interest at 4 per cent. on the outlay and advances by the State are to be divided between Government and the Company in the ratio of their respective shares of capital.

121. *Assam-Bengal Railway.*—This Company took over, in November 1892, the construction work in progress on the Gauhati-Lumding Section of the Railway which had been commenced by the State. The capital authorised to be raised by the Company is £1,500,000, and the rate of interest guaranteed is 3½ per cent. per annum up to the 1st July 1898, and after that date 3 per cent. The rate for the conversion of sterling capital into Indian currency is the average rate of exchange obtained by the Secretary of State for bills payable on demand drawn on India during the calendar half-year next preceding the time at which the conversion is required to be made under the terms of the contract.

122. *Burma Railways.*—This Company was formed for the purpose of completing and working the system of Railways in Burma which was being constructed and worked by the State. The lines were handed over with effect from the 1st September 1896, and the capital authorised to be raised by the Company for the purposes of the contract is £2,000,000. The rate of interest guaranteed is 2¾ per cent. per annum up to the 1st July 1901, and after that date 2½ per cent. For the purposes of the division of surplus profits the capital expended by the Secretary of State, on the Railways in Burma up to the 31st

August 1896 as shown in rupees in the books of the Government of India, is converted into sterling at the rate of Re. 1=1*s.* $2\frac{3}{16}d.$, and interest is calculated on the sterling equivalent of this sum at the rate of 2½ per cent. per annum. Any surplus profits after paying the interest in rupees on the Company's capital and the interest on the sterling equivalent of the Secretary of State's capital are divided between Government and the Company in the ratio of 4 to 1. The Company are also required to repay to the Secretary of State from their share of the surplus profits, the equivalent in rupees of the additional ¼ per cent. interest guaranteed up to the 1st July 1901. The rate for the conversion of the sterling capital of the Company into Indian currency and for all the purposes of the contract requiring the conversion of sterling money into rupees, is the "prescribed rate," *i.e.*, the average rate obtained by the Secretary of State for bills payable on demand drawn on India during the calendar half-year next preceding the time at which the conversion is required to be made under the terms of the contract.

123. *Ahmedabad-Parantij, South Behar, Mymensingh-Jamalpur, Brahmaputra-Sultanpur, Tapti Valley and Hurdwar-Dehra Branch Railways.*—The Ahmedabad-Parantij and Tapti Valley Railways are being constructed by the Bombay, Baroda and Central India Railway Company, the South Behar Railway by the East Indian Railway Company, and the Mymensingh-Jamalpur, Brahmaputra-Sultanpur and Hurdwar-Dehra Railways through State Agency, from funds paid into Indian Treasuries and the element of exchange does not, therefore, enter into the accounts of these Railways. With the exception of the South Behar Railway Company, these Companies have an Indian domicile and a rupee capital. The South Behar Railway Company has an English domicile and a sterling capital. The transactions of this Railway which pass through the Government accounts are confined to the withdrawals against the amounts deposited in the Treasury for expenditure in India. With the exception of the Brahmaputra-Sultanpur and Hurdwar-Dehra Railway Companies, the capital of these Companies is not guaranteed by the Secretary of State. In the case of the Brahmaputra-Sultanpur and the Hurdwar-Dehra Railway Companies interest at the rate of 3 per cent. per annum is guaranteed out of the revenues of India on the actual capital expenditure charged in the capital accounts.

124. The following table shows the amount of capital raised to the 31st March 1897:—

	State Lines leased to Companies.							Assisted Companies.						
	Bengal Central.	Bengal-Nagpur.	Indian Midland.	Southern Mahratta.	Mysore.	Rohilkhund-Kumaon.	Assam-Bengal.	Burma Railways.	Ahmedabad-Parantij.	South Behar.	Mymensingh-Jamalpur.	Brahmaputra-Sultanpur.	Tapti Valley.	Hardwar-Dehra.
	£	£	£	£	£	£	£	£	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Share Capital—														
India (at contract rates)	...	...	...	8,460	...	147,000	500,000	...	...	...	...	...	...	...
England	500,000	3,000,000	3,000,000	3,491,540	...	160,837*	500,000	1,836,462	...	...	...	...	...	22,500
Debentures—														
Nominal amount	...	2,000,000	3,004,100	943,100	...	...	...	...	...	...	...	...	...	...
Cash received	...	2,000,000	3,004,100	943,100	...	...	...	...	...	...	...	...	...	...
Debenture Stock—														
Stock represented	...	...	...	...	1,200,000	...	...	...	...	...	...	...	...	...
Cash received	...	...	...	...	1,200,000	...	...	...	...	...	...	...	...	...
Capital not bearing interest—														
India (at contract rates)	...	...	...	34	...	160,837	2,015,385	1,836,462	160,000	150,000	16,000	50,000	93,500	22,500
England	...	17,628	5,675	30,923	24,000	...	...	...	...	...	...	...	...	...
Total subscribed by Companies	500,000	5,017,628	6,009,775	4,474,057	1,224,000	160,837	2,015,385	1,836,462	160,000	150,000	16,000	50,000	93,500	22,500
Advances made from money raised under Act 51 Vict., Cap. 5	500,000	2,760,000	1,345,000	2,129,900	...	...	...	...	...	...	...	...	...	...
Total	1,000,000	7,777,628	7,354,775	6,603,957	1,224,000	160,837	2,015,385	1,836,462	160,000	150,000	16,000	50,000	93,500	22,500
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Equivalent in Rx.	1,255,819	10,317,422	9,293,754	8,030,939	1,638,280	203,419	3,157,831	3,118,615	160,000	150,000	16,000	50,000	93,500	22,500

* Rupees 20,94,195 were actually paid into the Treasury, and the remainder, under the contract, is taken as equivalent to £160,837.
The amounts shown under Assisted Companies represent the deposits made in Indian Treasuries to end of 1896-97.

125. The following abstract shows the different rates of interest guaranteed in the case of each line on the share and debenture capital:—

	Bengal Central.	Bengal-Nagpur.	Indian Midland.	Southern Mahratta.	Mysore.	Rohilkhund-Kumaon.	Assam-Bengal.	Burma Railways.	Total.
	£	£	£	£	£	£	£	£	£
Share Capital at 4 per cent.	...	3,000,000	3,000,000	...	...	...	..	...	6,000,000
Share Capital at 3½ per cent.	500,000	...	...	3,500,000*	...	...	1,500,000†	...	5,500,000
Share Capital at 2¾ per cent.	...	...	...	...	...	...	...	1,836,462‡	1,836,462
Debenture stock at 4 per cent.	...	...	...	...	1,200,000	...	...	...	1,200,000
Debentures at 3¼ per cent.	...	...	1,000,000	688,100	...	147,000	...	...	1,835,100
Debentures at 3 per cent.	...	1,500,000	1,000,000	255,000	...	...	500,000	...	3,255,000
Debentures at 2¾ per cent.	...	...	171,200	...	...	...	...	...	171,200
Debentures at 2½ per cent.	...	500,000	832,900	...	...	...	...	...	1,332,900
Total	500,000	5,000,000	6,004,100	4,443,100	1,200,000	147,000	2,000,000	1,836,462	21,130,662

* Four per cent. up to 31st December 1890, thereafter 3½ per cent.
† Three and a half per cent. up to 1st July 1898, and thereafter 3 per cent.
‡ Two and three quarter per cent. up to 1st July 1901, and thereafter 2¼ per cent.

126. During the year 1896-97 the following capital was raised direct by Companies:—

	£	£
Assam-Bengal Railway, Share Capital	8,030	
Burma Railways, ditto	1,836,462	
		1,844,492
Bengal-Nagpur Railway, Debentures at 3 per cent.—		
Open Line	100,000	
Extensions	400,000	
		500,000*
		2,344,492

* £11,847 premium received in respect of these debentures has been treated as capital not bearing interest. A sum of £2,948 received as premium on renewal of Indian Midland Railway debentures has also been treated as capital not bearing interest.

127. No advances were made from moneys raised under Act 51 Vict., Cap. 5, to any of these Companies during the year under review.

128. The following table shows the amounts of capital withdrawn by the several Companies up to the 31st March 1897, and the balances of capital at their credit, or the amounts of overdrafts, on that date. In this table the amounts shown as withdrawn in England represent true sterling, the amounts shown as withdrawn in India represent rupees converted at contract rates, and also take into account the differences between remittances from England converted at contract rates and the average rates of exchange at which they are incorporated in the Indian books:—

Railways.	Paid up capital (including advances).	Capital withdrawn.									Balance at	
		To end of 1895-96.			During 1896-97.			To end of 1896-97.			Credit.	Debit.
		India.	England.	Total.	India.	England.	Total.	India.	England.	Total.		
	£	£	£	£	£	£	£	£	£	£	£	£
Bengal Central	1,000,000	337,434	494,718	832,152	20,964	47,630	68,594	358,398	542,348	900,746	99,254	...
Bengal-Nagpur	7,777,628	5,168,560	2,530,818	7,699,378	519,126	411,053	930,179	5,687,686	2,941,871	8,629,557	...	851,929
Indian Midland	7,354,775	4,713,774	2,348,119	7,061,893	147,790	293,465	441,255	4,861,564	2,641,584	7,503,148	...	148,373
Southern Mahratta.	6,603,957	5,810,186	1,834,834	7,645,017	34,229	38,457	72,686	5,844,415	1,873,288	7,717,703	110,254	...
Mysore	1,224,000											
Rohilkhund-Kumaon.	160,837	197,539	78,234	275,773	6,114	6,095	12,209	203,653	84,329	287,982	...	127,145
Assam-Bengal	2,015,385	1,232,423	774,932	2,007,355	—82,137	90,167	8,030	1,150,286	865,099	2,015,385	...	...
Burma	1,836,462	...	...	...	169,258	114,562	283,820	169,258	114,562	283,820	1,552,642	...
Total	27,973,044	17,459,916	8,061,652	25,521,568	815,344	1,001,429	1,816,773	18,275,260	9,063,081	27,338,341	1,762,150	1,127,447

or, as stated in the Indian accounts, the sterling capital being converted at the contract rates, and the withdrawals in England being converted at the rates of exchange applicable under the contract, the figures stand as in the statement below. The transactions of the Railways which are being constructed on branch line terms being on a rupee basis have been included in this statement :—

Railways.	Paid-up Capital.	Capital withdrawn.	Balance at	
			Credit.	Debit.
	Rx.	Rx.	Rx.	Rx.
Bengal Central	1,255,819	1,117,819	138,000	...
Bengal-Nagpur	10,317,422	11,619,697	...	1,302,275
Indian Midland	9,293,754	9,533,872	...	240,118
Southern Mahratta	8,030,939	8,048,066	...	17,127
Mysore	1,638,280	1,471,605	166,675	...
Rohilkhund-Kumaon	203,419	392,070	...	188,651
Assam-Bengal	3,157,831	3,157,831	...	...
Burma	3,118,615	481,973	2,636,642	...
Ahmedabad-Parantij	160,000	152,275	7,725	...
South Behar	150,000	122,899	27,101	...
Mymensingh-Jamalpur	16,000	6,717	9,283	...
Brahmaputra-Sultanpur	50,000	1,008	48,992	...
Hurdwar-Dehra	22,500	...	22,500	...
Tapti Valley	93,500	79,246	14,254	...
Total	37,508,079	36,185,078	3,071,172	1,748,171

129. The overdraft shown against the Bengal-Nagpur Railway is due to the inclusion in the Capital account of the sum of Rx. 485,383 * expended by the State on the Katni-Umaria State Railway, which was subsequently taken over by the Company (*vide* para. 36 above), and to outlay in India on the extensions being met from rupee advances. The overdraft shown against the Indian Midland Railway is due to this latter cause. A sum of Rx. 1,657,841 expended by Government on the Bellary-Kistna State Railway, now incorporated in the Southern Mahratta Railway system, has not been included in the foregoing tables of expenditure. Similarly, a sum of Rx. 512,114 expended by Government on the Bareilly-Pilibhit and Lucknow-Sitapur Railways, prior to their transfer to the Rohilkhund-Kumaon Railway Company, has not been included in these statements. These items are classed, as originally charged, under 37.—*Construction of Railways* and 48.—*State Railways—Construction*, and are included in the expenditure dealt with in Section E.

Comparison with Actuals during 1895-96 and the Budget and Revised Estimates.

130. In the following table the actual expenditure during the year is compared with the Revised and Budget estimates, and with the actuals of 1895-96 :—

Railways.	Actuals, 1896-97.	Revised Estimate.		Budget Estimate.		Actuals, 1895-96.
		Estimate.	Actuals, more or less.	Estimate.	Actuals, more or less.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Bengal Central	95,658	99,400	−3,742	72,500	+23,158	5,666
Bengal-Nagpur	1,579,240	1,557,700	+21,540	1,696,400	−117,160	211,201
Indian Midland	699,064	678,400	+20,664	957,700	−258,636	43,909
Southern Mahratta	74,822	80,000	−5,178	118,800	−43,978	53,188
Mysore	13,831	16,000	−2,169	25,000	−11,169	20,541
Rohilkhund-Kumaon (Lucknow-Bareilly)	20,661	23,700	−3,039	34,300	−13,639	20,945
Assam-Bengal	13,945	510,800	−496,855	552,000	−538,055	990,726
Burma	481,973	535,400	−53,427	...	+481,973	...
Ahmedabad-Parantij	122,586	130,000	−7,414	124,000	−1,414	29,689
South Behar	113,351	110,000	+3,351	240,000	−126,649	9,548
Mymensingh-Jamalpur	6,717	16,000	−9,283	...	+6,717	...
Brahmaputra-Sultanpur	1,008	2,000	−992	...	+1,008	...
Tapti Valley	79,246	94,000	−14,754	...	+79,246	...
Total	3,302,102	3,853,400	−551,298	3,820,700	−518,598	1,385,413

* Equivalent at contract rate to £373,372.

Compared with actuals of previous year.

131. The large increase of Rx. 1,916,689 in the expenditure during 1896-97 as compared with the outlay during 1895-96 was made up partly of heavier expenditure on the extensions of the Bengal-Nagpur and Indian Midland Railways and on the Ahmedabad-Parantij and South Behar branch lines, and partly of expenditure on new lines commenced during the course of the year. *viz.*, the Mymensingh-Jamalpur, Brahmaputra-Sultanpur and Tapti Valley Branch Railways. The railways in Burma having been handed over to a Company with effect from the 1st September 1896, the expenditure from this date, which amounted to Rx. 481,973, was met from Company's capital, and appears under this head for the first time. The increase would have been larger but for the fact that the expenditure on the Assam-Bengal Railway during the year was charged to head 48 for the reasons stated in paragraph 99.

Compared with Budget Estimate.

132. As compared with the Budget Estimate there was a lapse of Rx. 518,598, due chiefly to the small amount of expenditure on the Assam-Bengal Railway charged to this head for reasons already given. The expenditure incurred on the Indian Midland Railway also fell short of the provision made in the Budget Estimate by Rx. 258,636. The short outlay was to some extent counterbalanced by expenditure on the Mymensingh-Jamalpur, Brahmaputra-Sultanpur and Tapti Valley Branch Railways which were commenced during the course of the year and for which no provision was made in the Budget Estimate. The transfer of the Burma Railways to this head during the year also helped to reduce the lapse.

The principal variations are explained below :—

The lapse on the Bengal-Nagpur Railway is attributed to the requirements for the extensions having been over-estimated, owing to the difficulty of estimating so far ahead the cost of operations on works recently commenced.

The lapse on the Indian Midland Railway was due to smaller outlay on English stores; to certain works, provision for which was made in the Budget Estimate, not having been undertaken owing to the estimates not having been sanctioned; to charges for land on the Saugor-Katni Extension being less than anticipated; to less progress having been made with earthwork, bridgework and stations and buildings on the extension owing to the difficulty of procuring labour on account of famine and cholera; to less expenditure having been incurred on renewals of permanent-way on the Scindia section, and to a smaller length of line having been laid on the extension than was provided for; to the refund to the capital account of the cost of the suite of carriages for His Highness the Maharaja Scindia, and to the transfer to revenue of a portion of the expenditure incurred in fitting coaching stock with gas lamps.

The lapse on the Southern Mahratta Railway was due chiefly to an indent for under-frames and fittings required for additional rolling stock having been submitted for compliance in 1897-98, instead of in the year under review, and to payments for certain other stores not having been made before the close of the year.

The lapse on the Mysore State Railway is attributed to the execution of several works budgetted for but not sanctioned having been postponed and to some of the sanctioned works not having been undertaken.

The lapse on the Lucknow-Bareilly Railway occurred entirely under stores transactions and is due to larger credits for sleepers issued to the Bengal and North-Western Railway and to smaller purchases of English stores than provided for in the Budget Estimate.

The lapse on the South Behar Railway is attributed to work on this line not having been started as early as was anticipated.

The excess on the Bengal Central Railway was due to larger purchases of English stores, chiefly materials for additional carriage and wagon stock.

As already explained in para. 99, funds to meet the estimated expenditure during the year on the Railways in Burma, *viz.*, the Mandalay-Kunlon, Mu Valley and Burma Railways, were originally provided under the head 48.—State Railways, Construction. The expenditure from 1st September 1896 to 31st March 1897 was charged against this head.

Compared with Revised Estimate.

133. Compared with the Revised Estimate there was a lapse of Rx. 551,298. This is chiefly accounted for by the short outlay of Rx. 496,855 on the Assam-Bengal Railway, the reasons for which have already been given.

The more important variations on individual lines are explained as under:—

The lapse on the Southern Mahratta Railway was due chiefly to the value of certain sleepers not having been adjusted in the year under review, and to smaller outlay on English stores.

The lapse on the Burma Railways was due to the postponement of certain works on the Mu Valley Branch owing to the difficulty and expense of transporting materials for buildings, etc.; to the construction of rolling stock having been less than provided for in consequence of the timber for the Mandalay-Kunlon stock having been purchased rather late and to short outlay on English stores for that line.

The lapse on the Ahmedabad-Parantij Railway was due to the late arrival of materials from England and to the commission for stores purchased, provision for which was made in the Revised Estimate, not having been adjusted during the year.

The lapses on the Mymensingh-Jamalpur and Tapti Valley Railways were due to a slower rate of progress on construction.

The excess on the Bengal-Nagpur Railway is attributed to greater progress in the laying of rails.

The excess on the Indian Midland Railway was due to larger expenditure having been incurred under Bridgework, Ballast and Permanent way and Stations and Buildings, owing to greater progress having been made with these works on the Saugor-Katni Extension than was anticipated when the Revised Estimate was prepared, and to larger purchases of English stores.

SECTION H.

Native States Railways.

Capital and Revenue Transactions.

134. The accounts reviewed in this section are those which shew the transactions of the following Railways belonging to Native States, the accounts of which are dealt with in this Department:—

Bhopal State Railway (Bhopal Section).
Khamgaon Railway.
Amraoti Railway.

135. It may be mentioned that the transactions of the following Railways, with the accounts of which this Department is not directly concerned, are not dealt with in this review:—

* The Gaekwar's.
* Jodhpore-Bickaneer.
* Nagda-Ujjain.
Nizam's Guaranteed.
Hyderabad-Godavari Valley.
Morvi.
Gwalior-Sipri.
* Rajpura-Bhatinda.
Bhavnagar-Gondal-Junagad-Porbundar.
* Jammu-Kashmir (Native State Section).
* Kolhapur.
* Cooch Behar.
* Bina-Goona.
* Ditto -Goona-Bara Extension.
* Oodeypore-Chitore.
* Bhopal-Ujjain.
West of India Portuguese.
Rajkot-Jamnagar.
* Rajpipla.
Jetalsar-Rajkot.
Pondicherry.
Karikal-Peralam.
Birur-Shimoga.
* Mysore { Mysore-Nanjangud Section. / Yesvantpur-Mysore Frontier. / Kolar Gold-fields.

136. An officer of the Public Works Accounts Department is lent to the Native States for the purpose of keeping the accounts of the Bhavnagar-Gondal-Junagad-Porbundar and Rajkot-Jamnagar Railways, and the accounts of the lines marked with an asterisk are either kept or supervised by Public Works Accounts officers. The construction accounts of the Goona-Bara Extension are audited monthly by the Government Examiner, Indian Midland Railway.

Bhopal State Railway.

137. *Capital.*—The Bhopal State Railway is the joint property of the Imperial Government and the Bhopal State. The line connects Itarsi, on the Great Indian Peninsula Railway, with Bhopal, crossing the river Nerbudda

in the neighbourhood of Hoshungabad. The line runs for 13 miles through British territory and for 44 miles through the Native State of Bhopal.

138. Funds for the construction of this line were at first provided as follows:—

	Rx.
By the British Government	125,000
„ Bhopal State	500,000

But as further moneys were required to meet the cost of additional works and of alterations necessary to bring the line up to the required standard to carry the heavy traffic anticipated on the opening of the Indian Midland Railway, and as Her Highness the Begum of Bhopal was not prepared to advance more than the 50 lakhs, it was decided to provide the necessary money from Imperial resources. The contribution made by the Durbar had all been utilised before the end of 1890-91, so that the expenditure incurred subsequently was met from grants under the head "48.—State Railways—Construction," and as such is reviewed in the section pertaining thereto.

139. The capital expended on the line to the close of 1896-97 amounted to Rx. 734,589 and has been found as follows:—

	Rx.
By the British Government	234,589
„ Bhopal State	500,000

140. *Revenue.*—The line is worked by the Indian Midland Railway on the following terms: on payment of such sum as shall bear the same rate per cent. to the gross receipts of the Bhopal State Railway for any half-year as the aggregate working expenses of the amalgamated undertaking bear to the aggregate gross receipts of the amalgamated undertaking for the same half-year, *plus* 5 per cent. of the gross earnings for supply of rolling-stock. The earnings and expenses are adjusted by the calendar half-year, and the amounts included in the accounts for the official year 1896-97 represent the results of working during the calendar year 1896.

141. The revenue receipts and charges of the year are, under the terms of the agreement with the Durbar, divided between the British Government and the Bhopal State in the proportion of the capital contributed by each, and on this basis the division of the transactions of the year 1896 was as shown in the following table:—

	Government.	Bhopal State.	Total.
	Rx.	Rx.	Rx.
Receipts	16,369	36,136	52,505
Expenditure	10,094	22,283	32,377
Net receipts	6,275	13,853	20,128

142. The Durbar's share of the net earnings for the year is equivalent to a return of 2·77 per cent. per annum on the capital provided by the Durbar.

Khamgaon and Amraoti Railways.

143. *Capital.*— These railways have been constructed from funds provided from the surplus revenues of Berar. The Khamgaon Railway, 7½ miles in length, runs from Jalamb Station, on the Great Indian Peninsula Railway, to Khamgaon; and the Amraoti Railway, 5½ miles in length, connects Budnera with Amraoti.

144. The capital expended on these lines to the end of 1896-97 is as under:—

	To end of 1895-96.	During 1896-97.	Total to date.
	Rx.	Rx.	Rx.
Khamgaon Railway	52,095	165	52,260
Amraoti „	44,999	113	45,112

145. *Revenue.*—Both these lines are worked by the Great Indian Peninsula Railway Company on the following terms: the payment to the Company of the same percentage of the gross receipts of the State line that the working expenses of the Great Indian Peninsula Railway and branch lines, taken together, bear to the earnings of the Great Indian Peninsula Railway and branch lines, *plus* 5 per cent. of the gross receipts of the State lines for the use of rolling-stock. The transactions are adjusted by the calendar half-year, and the results incorporated in the accounts of the year 1896-97 represent the transactions of the calendar year 1896.

146. The receipts and charges of the year 1896 are shown in the following table:—

	Receipts.	Expenditure.	Net Receipts.
	Rx.	Rx.	Rx.
Khamgaon Railway	5,836	3,391	2,445
Amraoti „	10,411	6,124	4,287

147. The net receipts represent returns of 4·68 and 9·50 per cent. per annum on the total capital expended on the Khamgaon and Amraoti Railways, respectively.

Comparison with Budget and Revised Estimates.

148. The actual capital outlay of the year compares with the Budget and Revised Estimates as under:—

Railway.	Actuals, 1896-97.	Revised Estimate.		Budget Estimate.	
		Estimate.	Actuals, more or less.	Estimate.	Actuals, more or less.
	Rx.	Rx.	Rx.	Rx.	Rx.
Khamgaon Railway	165	200	—35	500	—335
Amraoti „	113	300	—187	400	—287
Total	278	500	—222	900	—622

The lapse on the Khamgaon Railway as compared with the Budget Estimate was due to the provision made for unforeseen works not having been utilised. The lapse on the Amraoti Railway as compared with the Revised Estimate was due to the expenditure incurred on laying a siding for a bulk oil depôt of Messrs. Graham & Co., at Amraoti, not having been adjusted in full. The Revised Estimate provided for expenditure to end of March 1897, but the accounts include the expenditure incurred to end of December 1896 only. The lapse on the Budget Estimate is due partly to this cause and partly to the provision made for unforeseen works not having been fully utilised.

149. The actual revenue transactions compare with the actuals of 1895-96 and the Budget and Revised Estimates as under :—

	Actuals, 1896-97.	Revised Estimate.		Budget Estimate.		Actuals, 1895-96.
		Estimate.	Actuals, more or less.	Estimate.	Actuals, more or less.	
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Bhopal—						
Receipts . .	36,136	36,700	—564	33,000	+ 3,136	31,807
Expenditure .	22,283	21,100	+ 1,183	20,000	+ 2,283	21,525
Net Receipts .	13,853	15,600	—1,747	13,000	+853	10,282
Khamgaon—						
Receipts . .	5,836	5,800	+36	6,600	—764	6,423
Expenditure .	3,391	3,300	+91	3,900	—509	3,820
Net Receipts .	2,445	2,500	—55	2,700	—255	2,603
Amraoti—						
Receipts . .	10,411	10,300	+111	10,000	+411	9,782
Expenditure .	6,124	5,900	+224	6,000	+124	5,957
Net Receipts .	4,287	4,400	—113	4,000	+287	3,825

150. The increase under receipts on the Bhopal State Railway as compared with the Budget Estimate and the actuals of the previous year was due chiefly to an import traffic in grain from the Great Indian Peninsula Railway and to a traffic in salt from *viâ* Ujjain to stations on that Railway.

151. The decrease in receipts on the Khamgaon Railway as compared with the Budget Estimate and the actuals of the previous year was due to a fall in merchandise traffic. The increase on the Amraoti Railway was due to an improvement in the same traffic. The variations in expenditure on the Khamgaon and Amraoti Railways as compared with the Budget Estimate and the actuals of the previous year were due to the payment for working expenses to the Great Indian Peninsula Railway Company being a percentage of the earnings.

CALCUTTA;
The 11th April 1898.

A. R. BECHER,
Accountant General, P. W. Dept.

Acct. Genl., P. W. Dept., memorandum No. 184 R., dated 11th April 1898.

Submitted to the Secretary to the Government of India, Public Works Department.

Document accompanying.

Abstract and detailed Accounts of Revenue and Expenditure on Railways in India during and to the end of 1896-97.

G. I. C. P. O.—No. 23 A. G., P. W. D.—10-6-98.—900.—J. F. F.

Accompaniment to Accountant General's, P. W. Dept., Note No. 184 R., dated 11th April 1898.

Abstract by Fund and Finance Heads of the Revenue and Expenditure on Railways in India during 1896-97 compared with the Budget and Revised Estimates of the year and the accounts of 1895-96.

Revenue.				For details see schedule.	Fund and Finance Heads.	For details see schedule.	Expenditure.			
	1896-97.						1896-97.			
Accounts, 1895-96.	Budget Estimate.	Revised Estimate.	Accounts.				Accounts.	Revised Estimate.	Budget Estimate.	Accounts, 1895-96.
Rx.	Rx.	Rx.	Rx.				Rx.	Rx.	Rx.	Rx.
					IMPERIAL.					
					XXVI AND 38.—STATE RAILWAYS.					
					Gross Traffic Receipts and Working Expenses.					
5,493,794	5,440,400	5,420,300	5,450,916		East Indian		1,849,021	1,840,000	1,770,000	1,884,547
2,350,825	2,350,000	1,970,000	2,010,983		Rajputana-Malwa*		1,026,902	1,022,500	1,150,000	1,161,503
3,754	4,000	5,100	5,186		Palanpur-Deesa		3,588	3,700	2,900	2,686
14,266	17,000	18,300	16,369		Bhopal		10,094	11,000	10,000	9,654
19,355	20,000	20,200	20,608		Wardha Coal		12,222	11,700	12,000	11,719
54,597	56,000	51,700	52,065		Warora Colliery		34,772	36,300	43,000	40,212
39,620	48,000	40,000	39,133		Umaria Colliery		39,692	40,000	42,500	39,293
657,924	680,000	600,000	612,899		Bengal-Nagpur		352,521	340,000	335,000	329,530
40,853	45,000	60,000	64,981		Mu Valley		81,768	80,000	68,000	62,545
...	13,500	26,000	21,215		Burma		...	...	...	...
42,536	100,000	70,000	65,445		Assam-Bengal		67,523	65,000	80,000	32,686
996,268	933,700	1,035,000	1,052,328		Eastern Bengal		604,068	590,000	567,500	560,968
93,603	90,000	94,500	93,515		Bengal Central		69,228	73,000	63,000	61,152
567,201	570,000	565,000	565,006		Bengal and North-Western and Tirhoot		437,276	440,000	415,000	437,903
974,518	1,000,000	830,000	818,621		Oudh and Rohilkhand		450,084	447,500	500,000	500,857
454,476	490,000	485,000	485,746		Indian Midland		289,970	285,000	283,200	284,851
81,357	83,200	80,000	79,335		Lucknow-Bareilly		52,459	53,000	51,500	53,638
3,485,691	3,200,000	2,890,000	2,887,907		North Western		1,710,588	1,740,000	1,910,000	1,876,863
903,488	920,000	905,000	899,281		South Indian		516,895	540,000	550,000	542,308
44,682	45,000	43,000	48,663		Guntakal-Mysore Frontier		27,846	26,500	26,500	25,358
160,769	160,000	158,000	158,407		Mysore		109,187	110,000	111,000	109,433
...	6,500	6,000	6,133		Bezwada-Madras (Ennore Section)		5,114	5,300	4,300	...
231,152	260,000	255,000	265,982		East Coast (including Bezwada Extension)		203,232	200,000	180,000	183,920
40,824	40,000	35,000	36,739		Dhond and Manmad (net receipts)		...	...	...	...
663,701	655,000	645,000	658,845		Southern Mahratta		447,858	455,000	450,000	444,109
17,415,254	17,227,300	16,308,100	16,417,308	A	TOTAL	A	8,401,908	8,415,500	8,625,400	8,655,735
					Interest on debt.					
					India		3,615,426	3,605,100	3,655,000	3,450,807
					England		975,589	975,700	975,900	980,020
					Exchange		644,702	643,900	727,500	744,589
					TOTAL		5,235,717	5,224,700	5,358,400	5,175,416
					Annuities in purchase of Railways.					
					East Indian		1,961,879	1,961,000	2,053,400	2,066,506
					Eastern Bengal		202,190	202,000	212,400	213,490
					North Western		680,274	679,900	717,200	721,108
					TOTAL		2,844,343	2,842,900	2,983,000	3,001,104
					Interest Chargeable against Companies on Advances.					
					Bengal Central		26,989	27,100	28,400	28,596
					Bengal-Nagpur		185,846	185,900	181,800	158,166
					Indian Midland		76,907	77,600	87,500	77,105
					Southern Mahratta		114,966	114,900	120,800	121,815
					TOTAL		404,708	405,500	418,500	385,682
					Interest on capital deposited by Companies.					
					East Indian		12,456	12,500	15,200	3,299
					Assam-Bengal		111,678	111,700	123,400	103,427
					Burma Railways		31,697	31,700	...	...
					Bengal Central		29,064	29,100	30,500	30,796
					Bengal-Nagpur		284,418	284,300	318,400	309,777
					Indian Midland		347,840	347,800	365,600	366,486
					Lucknow-Bareilly		15,148	14,800	16,200	14,526
					Southern Mahratta		333,019	332,800	350,000	352,857
					South Indian		49,825	49,800	52,400	52,793
					TOTAL		1,215,145	1,214,500	1,271,700	1,233,961

*Including the Codhra-Rutlam-Nagda Railway.

Revenue. Accounts, 1895-96.	Revenue. 1896-97. Budget Estimate.	Revenue. 1896-97. Revised Estimate.	Revenue. 1896-97. Accounts.	For details see schedule.	Fund and Finance Heads.	For details see schedule.	Expenditure. 1896-97. Accounts.	Expenditure. 1896-97. Revised Estimate.	Expenditure. 1896-97. Budget Estimate.	Expenditure. Accounts, 1895-96.
Rx.	Rx.	Rx.	Rx.				Rx.	Rx.	Rx.	Rx.
					XXVII.—Guaranteed Railways.					
					Net Traffic Receipts.					
587,321	593,000	540,000	549,068		Madras					
1,132,291	1,070,000	810,000	805,295		Bombay, Baroda and Central India					
1,555,626	1,570,000	1,260,000	1,279,801		Great Indian Peninsula					
3,275,238	3,233,000	2,610,000	2,634,164	B	Total					
					XXVIII.—Subsidized Companies.					
					Repayment of Advances of Interest.					
25,252	28,100	24,900	24,052	I	Mysore					
					34.—Construction of Protective Railways.					
					East Coast					
					Bezwada-Madras		...	...	197,800	529,867
							...	...	275,700	...
					Total	F	...	...	473,500	529,867
					39.—Guaranteed Companies. Surplus Profits, Land, and Supervision, and Interest.					
					Surplus Profits.					
					Bombay, Baroda and Central India		220,930	221,000	310,000	323,648
					Great Indian Peninsula		226,225	226,200	270,000	171,730
					Madras		147	200	9,400	6,129
					Total	C	447,302	447,400	589,400	501,507
					Land and Supervision.					
					India (share of office of Director General of Railways)		16,224	15,600	16,400	16,577
					Central Provinces		...	100	100	55
					Assam		7,557	7,500	7,200	6,943
					Bengal		17,382	17,000	17,600	16,965
					North-Western Provinces and Oudh		18,336	17,800	19,700	17,250
					Madras		14,584	15,600	14,000	14,677
					Bombay		26,389	29,500	31,100	22,987
					Deduct—Amount recoverable from Companies on account of Government supervision		100,472	103,100	106,100	95,454
					Total	C	72,389	70,000	70,000	66,646
					Total surplus profits, Land and Supervision		28,083	33,100	36,100	28,808
							475,385	480,500	625,500	530,315
					Interest.					
					Madras		885,559	3,595,200	3,778,300	938,291
					Bombay, Baroda and Central India		720,340			751,555
					Great Indian Peninsula		1,991,333			2,116,829
					Total	C	3,597,232	3,595,200	3,778,300	3,806,675

Revenue. Accounts, 1895-96.	Revenue. 1896-97. Budget Estimate.	Revenue. 1896-97. Revised Estimate.	Revenue. 1896-97. Accounts.	For details see schedule.	Fund and Finance Heads.	For details see schedule.	Expenditure. 1896-97. Accounts.	Expenditure. 1896-97. Revised Estimate.	Expenditure. 1896-97. Budget Estimate.	Expenditure. Accounts, 1895-96.
Rx.	Rx.	Rx.	Rx.				Rx.	Rx.	Rx.	Rx.
					40.—Subsidized Companies—Land and Advances of Interest.					
					Mymensing-Jamalpur—Land		418	1,400	...	...
					Bengal and North-Western—Land		39,916	50,000	50,000	6,589
					Delhi-Umballa-Kalka—Land		311	400	100	613
					Nilgiri—Land		1,358	1,200	1,500	850
					Ahmedabad-Parantij—Land		6,752	7,000	2,500	...
					South Behar—Land		1,955	3,500	4,000	82
					Segowlie-Raksaul—Land		700	2,500	...	...
					Southern Punjab—Land		23,115	24,000	40,000	...
					Tapti Valley—Land		432	2,000	...	...
					Total	D	74,957	92,000	98,100	8,134
					41.—Miscellaneous Railway Expenditure.					
					Surplus Establishment and Miscellaneous Charges		18,105	11,400	2,500	2,063
					Director General's Establishment (share of)		16,224	15,600	16,400	16,577
					Port Store-keeper's Establishment		2,389	2,500	2,600	2,438
					Godhra-Baroda Survey		756	800	...	33
					Rutlam-Bara Survey		...	...	...	—1,094
					Chambal-Muttra Survey		...	...	...	1,740
					Shadipalli-Balotra Survey		...	...	2,000	985
					Bina-Guna Railway (Land)		...	...	...	16
					Sambulpur-Khurda Survey		...	...	...	137
					Saugor-Katni „		...	...	...	—5,659
					Meiktila-Myingyan (Land)		2,377	1,000	...	...
					Assam-Burma Connection Survey		1,956	2,000	17,500	17,911
					Salween-Kunlon Survey		...	...	2,000	...
					Chittagong-Akyab-Minbla Survey		—211	—200	...	1,916
					Sagaing-Monywa Survey		...	600	1,500	...
					Ruby Mines Survey		...	...	800	...
					Assam-Bengal-Lakhimpur Survey		110	100	...	442
					Mymensing-Serajganj Survey		...	...	...	—185
					Kaunia-Dhubri Survey		414	1,000	6,000	...
					Moghal Serai-Howrah Survey		—8	...	...	—1
					Rajbari-Faridpur „		...	...	1,000	...
					Ranaghat-Bhagwangola-Raiganj Survey		2,543	2,000	...	...
					Khagaria-Katihar Survey		...	...	...	1,517
					Singhia-Madaripore-Chandpore Survey		3,621	4,000	...	...
					Bogra-Kaliganj Survey		...	...	...	763
					Northern Bengal-Assam Connection Survey		—54	...	...	1,863
					Cooch Behar-Santrabari Survey		357	300	200	165
					Eastern Bengal Railway Extensions and Branches		602	500	300	1,769
					Faridpur-Samjhia-Rampur Bauleah Survey		308	500	...	...
					Cuttack-Midnapur-Calcutta Survey		—6	...	...	...
					Sakri-Jainagar and Bairagnia-Begaha Surveys		1,360	2,500	...	...
					Mahanadi Bridge Survey		...	...	...	2,890
					Ghaziabad-Moradabad Survey		1,845	2,000	2,100	1,832
					Rampur-Ramnagar „		...	...	...	—59
					Harpalpur-Rath-Nwogong Survey		102	100	...	...
					Agra-Delhi Chord Line Survey		3,164	3,600	...	...
					Dehra Dun Survey		1,000	1,000	...	...
					Hardwar-Dehra Survey		810	1,000	...	...
					Kashmir Railway Surveys		—2,000	...	...	...
					Hoshiarpur-Jullunder-Kapurthala Survey		170	200	3,200	449
					Kalka-Simla Survey		—280	—300	...	1,987
					Tochi Pass Reconnaissance		...	...	...	322
					Bhatinda-Samasata Survey		—1,156	—1,200	...	3,693
					Umballa-Kalka-Simla Survey		—886	...	...	...
					Abt Material and Engine Suspense Account		...	...	...	96
					Frontier Railway Reserve Material		849	400	300	725
					Ludhiana-Dhuri Survey		1,052	400	...	...
					Sukkur-Shikarpur Survey		463	500	700	...
					Parvatipur-Raipur Survey		...	...	10,000	...
					Peralam-Karikal (Land)		1,766	1,800	...	...
					Madura-Pamben Survey		1	...	...	2,174
					Shorana-Cochin „		...	...	...	1,508
					Calicut-Cannanore Survey		8	...	...	927
					Arsikere-Mangalore Survey		5,409	5,000	5,000	9,987
					Vizianagram-Parvatipur Survey		...	...	...	1,503
					Rajpipla Railway—(Land)		530	600	4,000	191
					Hyderabad-Godavari Valley Railway (Land)		...	2,000	...	...
					Reserve		...	...	8,900	...
					Total	E	63,690	61,700	87,000	71,623
					48.—State Railways—Construction.					
					East Indian		649,422	680,000	112,200	521,114
					Rajputana-Malwa		—18,178	35,000	60,600	99,794
					Godhra-Rutlam		15,826		33,200	27,376
					Rutlam-Nagda		—5,011	—1,500	47,500	158,653
					Palanpur-Deesa		1,094	1,200	3,100	701
					Bhopal		2,872	3,000	3,000	4,723
					Carried forward		646,025	717,700	259,600	812,361

Revenue. Accounts, 1895-96.	Revenue. 1896-97. Budget Estimate.	Revenue. 1896-97. Revised Estimate.	Revenue. 1896-97. Accounts.	For details see schedule.	Fund and Finance Heads.	For details see schedule.	Expenditure. 1896-97. Accounts.	Expenditure. 1896-97. Revised Estimate.	Expenditure. 1896-97. Budget Estimate.	Expenditure. Accounts, 1895-96.
Rx.	Rx.	Rx.	Rx.				Rx.	Rx.	Rx.	Rx.
					48.—State Railways—Construction—*continued.*					
					Brought forward		646,025	717,700	259,600	812,361
					Stores and Reserve		117,702	—38,800	125,400	—116,048
					Wardha Coal		553	700	7,500	311
					Warora Colliery		—6,062	—6,700	13,500	—8,161
					Umaria ,,		7,114	8,200	5,400	5,657
					Burma		12,929	13,900	42,800	—6,476
					Mu Valley		51,180	50,600	100,000	114,253
					Mandalay-Kunlon		116,169	115,400	620,000	59,396
					Assam-Bengal—Part I		41,028	45,000	150,000	62,498
					Ditto ,, II		1,100,586	614,800	1,048,000	320,437
					Eastern Bengal		424,674	448,900	407,500	142,529
					Rajbari-Faridpur		2,313	5,000	...	...
					Tirhoot		11,712	24,100	32,500	50,824
					Tirhoot Extensions		154,212	220,000	400,000	...
					Oudh and Rohilkhand		40,757	63,100	83,800	122,376
					Rae Bareli-Benares		254,243	257,100	240,000	59,244
					Cawnpore-Burhwal		23,194	27,500	9,600	101,217
					Lyallpur-Khanewal		6,039	5,000	...	...
					North-Western		489,975	435,000	289,900	214,086
					,, Gradient Improvements		—10,411	—10,000	—10,000	1,085
					Petroleum Operations, Baluchistan		...	...	...	—500
					Frontier Railway Reserve Material		1,103	1,600	400	1,031
					Wazirabad-Lyallpur		78,097	78,700	92,500	190,752
					Kotri-Rohri		440,194	420,100	511,000	605,332
					Mari-Attock		379,238	373,700	300,000	266,639
					Mushkaf-Bolan		170,202	210,200	195,000	199,460
					Jullunder-Hoshiarpur		1,689	...	...	...
					Ludhiana-Ferozepore		2,254	...	...	...
					Guntakal-Mysore Frontier		1,768	2,000	4,000	1,795
					South Indian		14,953	15,000	50,000	38,234
					Bezwada-Madras (Ennore-Madras Section.)		960	1,000	...	40,187
					,, ,, (Ennore-Bezwada Section)*		797,487	841,800	524,300	139,475
					East Coast*		288,468	292,800	...	166,822
					Godavari Bridge		17,286	21,000	...	...
					Dhond and Manmad		2,044	2,500	4,000	14,021
					Bellary-Kistna		...	...	...	88
							5,679,675	5,256,900	5,506,700	3,658,925
					Deduct—Outlay met from debentures raised by the East Indian Railway Company		*1,435,701*	*1,437,000*	...	*271,698*
					Net Total	F	4,243,974	3,819,900	5,506,700	3,387,227
					PROVINCIAL.					
					XXVI and 38.—State Railways.					
					Gross Traffic Receipts and Working Expenses.					
655,301	676,500	714,000	718,066		Burma		380,052	370,000	347,000	347,382
8,076	8,200	9,300	9,180		Jorhat		7,263	7,300	8,200	7,435
2,565	2,700	2,600	2,698		Cherra-Companygunj		2,591	2,500	2,400	2,311
435,300	366,300	445,000	448,259		Eastern Bengal		...	...	...	...
17,549	14,000	19,000	18,373		Hyderabad-Shadipalli		12,548	13,000	11,000	12,691
24,654	27,100	27,000	25,720		Mayavaram-Mutupet		15,191	16,700	16,800	15,282
1,143,445	1,094,800	1,216,900	1,222,296	A	Total	A	417,645	409,500	385,400	385,101
					Interest on debt.					
					India		†216,797	†218,000	216,100	215,568
					37.—Construction of Railways.					
					Jorhat		6,633	6,700	6,000	1,020
					Cherra-Companygunj		—797	—100	...	31
					Mayavaram-Mutupet		1,844	2,000	4,000	5,263
					Hyderabad-Shadipalli		5,070	5,400	4,500	1,347
					Total	F	12,750	14,000	14,500	7,661

* See also under "34."
† Includes 897 in Accounts and 2,300 in Revised Estimate on account of interest on outlay by the Burma Railways Company from 1st September 1896.

Revenue. Accounts, 1895-96.	Revenue. 1896-97. Budget Estimate.	Revenue. 1896-97. Revised Estimate.	Revenue. 1896-97. Accounts.	For details see schedule.	Fund and Finance Heads.	For details see schedule.	Expenditure. 1896-97. Accounts.	Expenditure. 1896-97. Revised Estimate.	Expenditure. 1896-97. Budget Estimate.	Expenditure. Accounts, 1895-96.
Rx.	Rx.	Rx.	Rx.				Rx.	Rx.	Rx.	Rx.
					40.—Subsidized Companies—Land and Subsidy.					
					Dooars (Land)		—12	...	...	56
					Dibru-Sadiya (subsidy and audit)		10,075	10,100	10,100	10,061
					Total	D	10,063	10,100	10,100	10,117
					41.—Miscellaneous Railway Expenditure.					
					Bassein-Henzada Survey		28	...	...	26
					Barsi-Pandharpur Survey		183	...	...	...
					Total	E	211	...	...	26
					* Capital of Indian Railway Companies.					
					State lines leased to Companies.					
					Assam-Bengal		13,945	510,800	552,000	990,726
					Bengal Central (a)		95,058	99,400	72,500	5,666
					Bengal-Nagpur		1,579,240	1,557,700	1,696,400	211,201
					Indian Midland		699,064	678,400	957,700	43,909
					Lucknow-Bareilly		20,661	23,700	34,300	20,945
					Southern Mahratta		74,822	80,000	118,800	53,188
					Mysore		13,831	16,000	25,000	20,541
					Burma Railways		481,973	535,400	...	...
					Total		2,979,194	3,501,400	3,456,700	1,346,176
					Assisted Companies.					
					Ahmedabad-Parantij		122,586	130,000	124,000	29,689
					South Behar		113,351	110,000	240,000	9,548
					Brahmaputra-Sultanpur		1,008	2,000	...	...
					Mymensingh-Jamalpur		6,717	16,000	...	...
					Tapti Valley		79,246	94,000	...	...
					Total		322,908	352,000	364,000	39,237
					Guaranteed Companies.					
					Madras		48,587	60,200	56,600	28,972
					Bombay, Baroda and Central India		288,399	310,200	471,100	275,550
					Great Indian Peninsula		—51,639	—37,500	152,000	42,648
					Total		285,347	332,900	679,700	347,179

* The figures entered under this head represent the actual Rupee outlay (actuals and estimates) expressed in Rx.
(a) Although, for convenience, classed among State Railways, this line is the property of the Bengal Central Railway Company.

Calcutta,
Dated 11th February 1898.

A. R. BECHER,
Accts. Genl., P. W. Dept.

2

SCHEDULE A.

Detailed Account of State Railway's Gross Traffic Receipts and Working Expenses for 1896-97.

		Receipts.			Expenses.			Net Receipts.			Capital outlay to 31st March 1897.	Percentage of net receipts on total Capital outlay to 31st March 1897.	* Percentage of charges on receipts.
		Budget Estimate.	Revised Estimate.	Accounts.	Budget Estimate.	Revised Estimate.	Accounts.	Budget Estimate.	Revised Estimate.	Accounts.			
		Rx.	Rx.	Rx.	Rx.	Rx.	Rx	Rx.	Rx.	Rx.	Rx.		
I.—India	Imperial.												
	East Indian	5,440,000	5,420,000	5,450,534	1,606,100	1,679,000	1,688,691	3,670,000	3,580,000	3,601,513			
	„ Surplus profits	...	...	...	163,900	160,100	160,330						
	England—Rent of buildings occupied by East Indian Railway Company, including Exchange	400	300	382	...	...	...	400	300	382			
	Total East Indian	5,440,400	5,420,300	5,450,916	1,770,000	1,840,000	1,849,021	3,670,400	3,580,300	3,601,895	(a) 38,825,472	9·28	33·92 / 30·97
	Rajputana-Malwa, including Godhra-Rutlam Nagda	2,350,000	1,970,000	2,010,983	1,000,000	942,500	942,841	1,200,000	947,500	984,081	15,043,146	6·54	51·06 / 46·88
	„ Surplus profits	...	...	...	150,000	80,000	84,061						
	Bhopal	17,000	18,300	16,369	10,000	11,000	10,094	7,000	7,300	6,275	234,589	2·68	61·66
	Palanpur-Deesa	4,000	5,100	5,186	1,750	2,250	2,178	1,100	1,400	1,598	23,325	2·85	69·18 / 42·00
	Net receipts payable to the Palanpur Durbar	...	...	...	1,150	1,450	1,410						
		7,811,400	7,413,700	7,483,454	2,932,900	2,877,200	2,889,605	4,878,500	4,536,500	4,593,849			
II.—Central Provinces	Wardha Coal	20,000	20,200	20,608	12,000	11,700	12,222	8,000	8,500	8,386	499,633	1·68	59·37
	Warora Colliery	50,000	51,700	52,065	43,000	36,300	34,772	13,000	15,400	17,293	193,266	8·95	66·78
	Umaria Colliery	48,000	40,000	39,133	42,500	40,000	39,692	5,500	...	—559	116,593	...	101·43
	Bengal-Nagpur	680,000	600,000	612,899	335,000	340,000	352,521	345,000	260,000	260,378	9,925,683	2·62	57·52
		804,000	711,900	724,705	432,500	428,000	439,207	371,500	283,900	285,498			
III.—Burma	Mu Valley	45,000	60,000	64,981	68,000	80,000	81,768	—23,000	—20,000	—16,787	2,397,986†	...	125·83
	Burma	13,500	26,000	21,215	...	...	...	13,500	26,000	21,215			
		58,500	86,000	86,196	68,000	80,000	81,768	—9,500	6,000	4,428			
IV.—Assam	Assam-Bengal	100,000	70,000	66,445	80,000	65,000	67,523	20,000	5,000	—1,078	5,618,746	...	101·62
V.—Bengal	Eastern Bengal	933,700	1,035,000	1,052,328	567,500	590,000	604,068	366,200	445,000	448,260	(b) 11,218,796	(i) 7·99	(i) 40·25
	Bengal Central	90,000	94,500	93,515	54,000	59,300	55,571	27,000	21,500	24,287	1,117,820	2·17	74·03 / 59·42
	Company's share of net earnings	...	...	...	9,000	13,700	13,657						
	Bengal and North-Western and Tirhoot	570,000	565,000	565,006	232,000	257,000	261,304	155,000	125,000	127,730	2,586,709	4·94	77·39 / 46·25
	Company's share of net earnings	...	...	...	183,000	183,000	175,972						
		1,593,700	1,694,500	1,710,849	1,045,500	1,103,000	1,110,572	548,200	591,500	600,277			
VI.—North-Western Provinces and Oudh.	Oudh and Rohilkhand	1,000,000	830,000	818,621	500,000	447,500	450,084	500,000	382,500	368,537	(c) 10,655,094	3·46	54·98
	Indian Midland	490,000	485,000	485,746	283,200	285,000	289,970	206,800	200,000	195,776	8,894,757	2·20	59·69
	Lucknow-Bareilly	83,200	80,000	79,335	49,700	51,400	50,971	31,700	27,000	26,876	904,184	2·97	66·12 / 64·25
	„ Surplus profits	...	...	...	1,800	1,600	1,488						
		1,573,200	1,395,000	1,383,702	834,700	785,500	792,513	738,500	609,500	591,189			
VII.—Punjab	North-Western	3,200,000	2,890,000	2,887,907	1,910,000	1,740,000	1,710,588	1,290,000	1,150,000	1,177,319	(d) 46,284,440	2·54	59·23
VIII.—Madras	South Indian	920,000	905,000	899,281	520,000	510,000	486,694	370,000	365,000	382,386	(e) 7,681,308	4·98	57·48 / 54·12
	Company's share of net receipts	...	...	...	30,000	30,000	30,201						
	Mysore	160,000	158,000	158,407	94,900	93,000	91,574	49,000	48,000	49,220	1,471,605	3·34	68·03 / 57·81
	Company's share of net earnings	...	...	...	16,100	17,000	17,613						
	Bezwada-Madras (Ennore Section)	6,500	6,000	6,133	4,300	5,300	5,114	2,200	700	1,019	58,205	1·75	83·36
	East Coast (including Bezwada Extension)	260,000	255,000	265,982	180,000	200,000	203,232	80,000	55,000	62,750	5,773,612	1·09	76·41
	Guntakal-Mysore Frontier	45,000	43,000	48,663	26,500	26,500	27,846	18,500	16,500	20,817	590,130	3·53	57·22
		1,391,500	1,367,000	1,378,466	871,800	881,800	862,274	519,700	485,200	516,192			
IX.—Bombay	Dhond and Manmad (Net Receipts)	40,000	35,000	36,739	...	...	...	40,000	35,000	36,739	1,138,955	3·22	...
	Southern Mahratta	655,000	645,000	658,845	385,000	382,000	372,254	205,000	190,000	210,987	(f) 9,705,907	2·17	67·98 / 56·50
	Company's share of net earnings	...	...	...	65,000	73,000	75,604						
		695,000	680,000	695,584	450,000	455,000	447,858	245,000	225,000	247,726			
	Total Imperial	17,227,300	16,308,100	16,417,308	8,625,400	8,415,500	8,401,908	8,601,900	7,892,600	8,015,400	180,959,961	(h) 4·66	(h) 49·88 / 46·55

* In the case of lines worked by Companies two percentages have been entered, the first including, and the second excluding, surplus profits and share of net earnings paid to the Companies.
† Approximate outlay.

(a) Actual rupee outlay :—

	Rx.
By Company to date of purchase	33,686,941
„ Government after purchase	5,138,531
Total	38,825,472

(b) Actual rupee outlay :—

	Rx.
By Company to date of purchase	3,523,561
By Government before and after purchase and on other sections constructed by the State	7,695,235
Total	11,218,706

(c) Actual rupee outlay :—

	Rx.
By Company to date of purchase	9,161,764
„ Government after purchase	1,493,330
Total	10,655,094

(d) Actual rupee outlay :—

	Rx.
By Company to date of purchase	12,083,954
„ Government after purchase and on system before and after acquisition	34,200,486
Total	46,284,440

(e) Actual rupee outlay :—

	Rx.
By Company to date of purchase	5,016,811
By Government after purchase	2,664,497
Total	7,681,308

(f) Includes outlay on the Bellary-Kistna Railway amounting to Rx. 1,657,841.
(g) Capital expended on Tirhoot State Railway.
(h) The Provincial share of the Eastern Bengal Railway net receipts has been included, and the Imperial share of the Burma Railway net receipts has been excluded, in calculating these percentages.
(i) Percentages calculated on total net receipts, including Provincial share.

SCHEDULE A—*continued.*

Detailed Account of State Railways' Gross Traffic Receipts and Working Expenses for 1896-97—concluded.

Provincial.	Receipts. Budget Estimate.	Receipts. Revised Estimate.	Receipts. Accounts.	Expenses. Budget Estimate.	Expenses. Revised Estimate.	Expenses. Accounts.	Net Receipts. Budget Estimate.	Net Receipts. Revised Estimate.	Net Receipts. Accounts.	Capital outlay to 31st March 1897.	Percentage of net receipts on total Capital outlay to 31st March 1897.	Percentage of charges on receipts.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.		
I.—Burma . . . . Burma	676,500	714,000	718,066	347,000	370,000	380,052	329,500	344,000	338,014	5,448,853	(a) 6·59	(a) 51·41
II.—Assam . . . . Jorhat	8,200	9,300	9,180	8,200	7,300	7,263	...	2,000	1,917	89,563	2·14	79·11
Cherra-Companygunj . .	2,700	2,600	2,698	2,400	2,500	2,591	300	100	107	77,377	·14	96·04
	10,900	11,900	11,878	10,600	9,800	9,854	300	2,100	2,024			
III.—Bengal . . . . Eastern Bengal . . .	366,300	445,000	448,259	...	...	...	366,300	445,000	448,259			
IV.—Madras . . . Mayavaram-Mutupet . .	27,100	27,000	25,720	16,800	16,700	15,191	10,300	10,300	10,529	246,944	4·26	59·06
V.—Bombay . . . . Hyderabad-Shadipalli . .	14,000	19,000	18,373	11,000	13,000	12,548	3,000	6,000	5,825	182,986	3·18	68·29
Total Provincial .	1,094,800	1,216,900	1,222,296	385,400	409,500	417,645	709,400	807,400	804,651	6,045,723	(b) 6·24	(b) 52·52
GRAND TOTAL .	18,322,100	17,525,000	17,639,604	9,010,800	8,825,000	8,819,553	9,311,300	8,700,000	8,820,051	187,005,684	4·72	(c) 50·00 / 46·82

(a) The net receipts credited to Imperial are included in calculating these percentages.
(b) The net receipts of the Eastern Bengal Railway credited to Provincial are excluded, and the nettreceipts of the Burma Railway credited to Imperial are included in calculating these percentages.
(c) Excluding surplus profits to Companies for working State lines and net earnings of their own concern paid to the Bengal and North-Western Railway Company.

SCHEDULE B.

Guaranteed Railways.

Statement of Revenue Transactions during the official year 1896-97.

Financial Head.	Accounts, 1895-96. Administrative.	Accounts, 1895-96. Suspense.	Accounts, 1895-96. Financial.	Budget Estimate, 1896-97. Administrative.	Budget Estimate, 1896-97. Suspense.	Budget Estimate, 1896-97. Financial.	Revised Estimate, 1896-97. Administrative.	Revised Estimate, 1896-97. Suspense.	Revised Estimate, 1896-97. Financial.	Accounts, 1896-97. Administrative.	Accounts, 1896-97. Suspense.	Accounts, 1896-97. Financial.
XXVII—GUARANTEED RAILWAYS.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Net Traffic Receipts.												
Payments into Treasury—												
Madras Railway	1,104,329	162,506	1,266,835	1,140,000	150,000	1,290,000	1,090,000	160,000	1,250,000	1,102,583	156,475	1,259,058
Bombay, Baroda and Central India Railway .	1,768,540	549,063	2,317,603	1,770,000	615,000	2,385,000	1,510,000	460,000	1,970,000	1,509,778	448,661	1,958,439
Great Indian Peninsula Railway . . .	3,469,434	108,047	3,577,481	3,460,000	250,000	3,710,000	3,130,000	160,000	3,290,000	3,151,952	155,978	3,307,930
Total .	6,342,303	819,616	7,161,919	6,370,000	1,015,000	7,385,000	5,730,000	780,000	6,510,000	5,764,313	761,114	6,525,427
Withdrawals from Treasury—												
Madras Railway	530,520	148,994	679,514	547,000	150,000	697,000	550,000	160,000	710,000	550,740	159,250	709,990
Bombay, Baroda and Central India Railway .	653,625	531,687	1,185,312	700,000	615,000	1,315,000	760,000	460,000	1,160,000	716,246	436,898	1,153,144
Great Indian Peninsula Railway . . .	1,795,748	226,107	2,021,855	1,850,000	290,000	2,140,000	1,810,000	220,000	2,030,000	1,784,030	244,099	2,028,129
Total .	2,979,893	906,788	3,886,681	3,097,000	1,055,000	4,152,000	3,060,000	840,000	3,900,000	3,051,016	840,247	3,891,263
Net Traffic Receipts—												
Madras Railway	573,809	13,512	587,321	593,000	...	593,000	540,000	...	540,000	551,843	—2,775	549,068
Bombay, Baroda and Central India Railway .	1,114,915	17,376	1,132,291	1,070,000	...	1,070,000	810,000	...	810,000	793,532	11,763	805,295
Great Indian Peninsula Railway . . .	1,673,686	—118,060	1,555,626	1,610,000	—40,000	1,570,000	1,320,000	—60,000	1,260,000	1,367,922	—88,121	1,279,801
Total .	3,362,410	—87,172	3,275,238	3,273,000	—40,000	3,233,000	2,670,000	—60,000	2,610,000	2,713,297	—79,133	2,634,164

SCHEDULE C.

39.—Guaranteed Companies—Surplus Profits, etc., Land and Supervision, and Interest.

Province or Railway.	Accounts, 1895-96.	Budget Estimate, 1896-97.	Revised Estimate, 1896-97.	Accounts, 1896-97.
Moiety of Surplus Profits, etc.	Rx.	Rx.	Rx.	Rx.
Bombay, Baroda and Central India Railway	323,648	310,000	221,000	220,930
Great Indian Peninsula Railway	171,730	270,000	226,200	226,225
Madras Railway	6,129	9,400	200	147
Total Surplus Profits, etc.	501,507	589,400	447,400	447,302
Land and Supervision.				
India—(share of office of Director General of Railways)	16,577	16,400	15,600	16,224
Central Provinces	55	100	100	...
Assam	6,943	7,200	7,500	7,557
Bengal	16,965	17,600	17,000	17,382
North-Western Provinces and Oudh	17,250	19,700	17,800	18,336
Madras	14,677	14,000	15,600	14,584
Bombay	22,987	31,100	29,500	26,389
Deduct—Amount recoverable from Companies on account of Government supervision	95,454 66,646	106,100 70,000	103,100 70,000	100,472 72,389
Total Land and Supervision	28,808	36,100	33,100	28,083
Total surplus profits, land and supervision	530,315	625,500	480,500	475,385
Interest.				
India.				
Bombay, Baroda and Central India Railway	741	5,100	5,600	5,617
Great Indian Peninsula Railway	1,812	1,800	1,600	1,837
Madras Railway	269	...	900	771
Total India	2,822	6,900	8,100	8,225
England.				
Bombay, Baroda and Central India Railway	426,655	2,160,700	2,160,900	430,340
Great Indian Peninsula Railway	1,201,871			1,197,890
Madras Railway	533,037			532,737
Total England	2,161,563	2,160,700	2,160,900	2,160,967
Exchange	1,642,290	1,610,700	1,426,200	1,428,040
Total Interest	3,803,675	3,778,300	3,595,200	3,597,232
GRAND TOTAL	4,336,990	4,403,800	4,075,700	4,072,617

SCHEDULE D.

Subsidized Railways.

Statement of State Outlay for, and to the end of, the year 1896-97.

Railways.	Subsidy.	Interest.	Land.	Miscellaneous.	Total Final Heads of Account.	Estimated Indian Expenditure. Budget.	Estimated Indian Expenditure. Revised.	Guaranteed Interest paid in England *plus* Exchange.	Grand Total.
During the year.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Imperial.									
Bengal and North-Western	...	...	39,916	...	39,916	50,000	50,000	...	39,916
Mymensingh-Jamalpur	...	...	418	...	418	...	1,400	...	418
Segowlie-Raksaul	...	...	700	...	700	...	2,500	...	700
South Behar	...	...	1,955	...	1,955	4,000	3,500	...	1,955
Delhi-Umballa-Kalka	...	...	311	...	311	100	400	...	311
Southern Punjab	...	...	23,115	...	23,115	40,000	24,000	...	23,115
Nilgiri	...	...	1,358	...	1,358	1,500	1,200	...	1,358
Ahmedabad-Parantij	...	...	6,752	...	6,752	2,500	7,000	...	6,752
Tapti Valley	...	...	432	...	432	...	2,000	...	432
Total Imperial	...	...	74,957	...	74,957	98,100	92,000	...	74,957
Provincial.									
Dooars	...	...	—12	...	—12	...	...	...	—12
Dibru-Sadiya	10,000	...	...	75	10,075	10,100	10,100	...	10,075
Total Provincial	10,000	...	—12	75	10,063	10,100	10,100	...	10,063
GRAND TOTAL	10,000	...	74,945	75	85,020	108,200	102,100	...	85,020
To end of the year.									
Imperial.									
Bengal Central	...	...	72,767	...	72,767	...	...	*77,150	149,917
Bengal and North-Western	...	...	232,403	...	232,403	...	...	...	232,403
Mymensingh-Jamalpur	...	...	418	...	418	...	...	...	418
Segowlie-Raksaul	...	...	700	...	700	...	...	...	700
South Behar	...	...	2,037	...	2,037	...	...	...	2,037
Rohilkhand-Kumaon	...	...	...	...	...	...	...	†10,441	10,441
Delhi-Umballa-Kalka	...	...	54,486	...	54,486	...	...	...	54,486
Southern Punjab	...	...	23,115	...	23,115	...	...	...	23,115
Nilgiri	...	5,612	15,368	...	20,980	...	...	...	20,980
Ahmedabad-Parantij	...	...	6,752	...	6,752	...	...	...	6,752
Tapti Valley	...	...	432	...	432	...	...	...	432
Total Imperial	...	5,612	408,478	...	414,090	...	...	87,591	501,681
Provincial.									
Dooars	...	...	3,020	...	3,020	...	...	...	3,020
Tarkessur	...	...	14,151	...	14,151	...	...	...	14,151
Dibru-Sadiya	125,277	...	...	3,030	128,307	...	...	...	128,307
Rohilkhand-Kumaon	40,000	...	3,414	...	43,414	...	...	...	43,414
Deoghur	...	...	919	...	919	...	...	...	(*a*) 919
Total Provincial	165,277	...	21,504	3,030	189,811	...	...	...	189,811
GRAND TOTAL	165,277	5,612	429,982	3,030	603,901	...	...	87,591	691,492

	Net payments. £	Exchange. Rx.
* 1881-82	2,011	415
1882-83	9,040	2,211
1883-84	21,358	4,880
1884-85	29,473	7,162
Total	62,482	14,668
	Rx. 77,150	

	Payments. £	Exchange. Rx.
† 1882-83	351	81
1883-84	3,798	869
1884-85	6,425	1,561
Total	10,574	2,511
	Rx. 13,085	
Less—Repayments by Company to Secretary of State	2,644‡	
	10,441	

	Repayments. £	Exchange. Rx.
‡ 1889-90	63	28
1890-91	735	240
1891-92	995	432
Total	1,793	700
	Rx. 2,493	
In India—		
1885-86	119	
1886-87	32	
Total	2,644	

(*a*) In the revised classification of the accounts, Rx. 956 of the expenditure on the Deoghur Tramway has been classified under the head 41.—Miscellaneous Railway Expenditure, and a write-back of Rx. 37 under the head 40.—Subsidized Railways, Land, etc. For convenience the whole has been shown in this account.

SCHEDULE E.

41.—Miscellaneous Railway Expenditure.

Statement of Outlay for, and to the end of, the year 1896-97.

	Surveys, etc.	Outlay for the year 1896-97.	Outlay to end of previous year.	Outlay to end of 1896-97.
	Imperial.	Rx.	Rx.	Rx.
I.—India	Surplus Establishment and Miscellaneous Charges	18,105	127,706	145,811
	Director General's Establishment (share of)	16,224	233,130	249,354
	Port Store-keeper's Establishment	2,389	90,988	93,377
	Godhra-Baroda Survey	756	33	789
	Rutlam-Bara Survey	...	8,476	8,476
	Chambal-Muttra Survey	...	4,934	4,934
	Pachpadra-Umarkot Survey	...	4,233	4,233
	Shadipalli-Balotra Survey	...	5,431	5,431
	Indirect Charges	...	13,444	13,444
	Preparation of project for conversion or doubling of Rajputana-Malwa Railway (project abandoned).	...	1,676	1,676
	Bhopal Survey (project abandoned)	...	5,335	5,335
	Ajmere-Bhawalpur Survey (project abandoned)	...	2,327	2,327
	Great Western of India Railway Survey (project abandoned).	...	2,857	2,857
	Stores issued without charge to Nizam's Railway	...	761	761
	Bikanir Desert Survey (project abandoned)	...	8,310	8,310
	Ujjain-Bhopal Survey (project abandoned)	...	822	822
		37,474	510,463	547,937
II.—Central Provinces	Bina-Guna Railway (Land)	...	430	430
	Sambalpur-Kurdha Survey	...	10,839	10,839
	Raipur-Sonpur Survey	...	597	597
	Raj-Nandgaon-Warangal Survey	...	886	886
	Nagpur-Saugor Survey (project abandoned)	...	1,427	1,427
	Wardha Coal Extension Survey (project abandoned).	...	2,304	2,304
	Jubbulpur-Nagpur Survey (project abandoned)	...	1,370	1,370
		...	17,853	17,853
III.—Burma	Assam-Burma Connection Survey	1,956	23,341	25,297
	Meiktila-Myingyan (Land)	2,377	...	2,377
	Thedaw-Myingyan Survey	...	(a)	...
	Chittagong-Akyab-Minhla Survey	—211	20,424	20,213
	Chindwin Survey (project abandoned)	...	2,616	2,616
		4,122	46,381	50,503
IV.—Assam	Assam-Bengal-Lakhimpur Survey	110	442	552
	Sibsaugor Coal Line Survey (project abandoned)	...	3,399	3,399
	Garo Hills Reconnaissance (project abandoned)	...	414	414
	Assam Extension Survey (project abandoned)	...	9,110	9,110
		110	13,365	13,475
	Carried over	41,706	588,062	629,768

(a) Outlay to end of 1895-96 . . . 5,048
Transferred to construction account . 5,048
...

SCHEDULE E—*continued.*

41.—Miscellaneous Railway Expenditure.

Statement of outlay for, and to the end of, the year 1896-97—continued.

	Surveys, etc.	Outlay for the year 1896-97.	Outlay to end of previous year.	Outlay to end of 1896-97.
		Rx.	Rx.	Rx.
	Brought forward	41,706	588,062	629,768
	Imperial—*contd.*			
V.—Bengal	Kaunia-Dhubri Survey	414	...	414
	Northern Bengal-Assam connection Survey	—54	5,157	5,103
	Singhia-Madaripore-Chandpore Survey	3,621	612	4,233
	Anarpur-Begum Serai Survey	...	(a)	...
	Monghyr Extension Survey	...	(b)	...
	Khagaria-Katihar Survey	...	(c)	...
	Benares-Puri Survey	...	77,242	77,242
	*Rungpore-Dhubri Survey	...	3,054	3,054
	Moghal Serai-Howrah Survey	—8	40,370	40,362
	Cuttack-Midnapur-Calcutta Survey	—6	19,212	19,206
	Mymensing-Serajganj Survey	...	539	539
	Bogra-Kaliganj Survey	...	763	763
	Cooch Behar-Santrabari Survey	357	165	522
	Eastern Bengal Railway Extensions and Branches	602	1,769	2,371
	Mahanadi Bridge Survey	...	2,890	2,890
	Ranaghat-Bhagwangola-Raiganj Survey	2,543	...	2,543
	Faridpur-Samjhia-Rampur Bauleah Survey	308	...	308
	Sakri-Jainagar and Bairagnia-Begaha Surveys	1,360	...	1,360
	Western Bengal Survey (project abandoned)	...	11,888	11,888
		9,137	163,661	172,798
VI.—North-Western Provinces and Oudh.	Harpalpur-Rath-Nowgong Survey	102	...	102
	Aonla-Budaon Survey	...	230	230
	Ghaziabad-Moradabad Survey	1,845	7,548	9,393
	Rampur-Ramnagar Survey	...	418	418
	Bareilly-Soron Survey	...	2,630	2,630
	Agra-Delhi Chord Line Survey	3,164	...	3,164
	Dehra-Dun Survey	1,000	...	1,000
	Hurdwar-Dehra Survey	810	...	810
		6,921	10,826	17,747
VII.—Punjab	Tochi Pass Reconnaissance	...	638	638
	Ludhiana-Ferozepore Survey	...	2,084	2,084
	Bannu Railway Survey	...	12,669	12,669
	Jungshahi-Tatta Survey	...	648	648
	Kalka-Simla Survey	—280	22,056	21,776
	†Umballa-Kalka-Simla Surveys	—886	9,870	8,984
	Kashmir Railway Surveys	—2,000	35,184	33,184
	Zhob Valley Survey	...	40,206	40,206
	Frontier Railway Surveys	...	(d)	...
	Peshawar-Dhakka Survey	...	4,645	4,645
	Abt Material and Engine Suspense Account	...	43 668	43,668
	Peshawar-Jamrood Survey	...	613	613
	Dera Ismail Khan-Murtaza Survey	...	2,099	2,099
	Delhi-Minchinabad Survey	...	12,384	12,384
	Bhatinda-Samasata Survey	—1,156	5,209	4,053
	Umballa-Patiala Survey	...	574	574
	Hoshiarpur-Jullundur-Kapurthala Survey	170	449	619
	Sukkur-Shikarpur Survey	463	...	463
	Ludhiana-Dhuri Survey	1,052	...	1,052
	Frontier Railway Reserve Material	849	1,444	2,293
	Indus Valley Eastern Extension Survey (project abandoned).	...	7,025	7,025
	Kach-Quetta Survey (project abandoned)	...	1,815	1,815
	Bolan Permanent Line Survey (project abandoned)	...	15,487	15,487
	Khattan-Baber Kach Survey (project abandoned)	...	2,160	2,160
	Kohala Survey (project abandoned)	...	238	238
		—1,788	221,165	219,377
	Carried over	55,976	983,714	1,039,690

* Expenditure previous to 1887-88 (Rx. 5,262) classified as Provincial.
† See also Provincial.

	(a)	(b)	(c)	(d)
Outlay to end of 1895-96	918	629	1,809	11,852
Transferred to construction account	918	629	1,809	11,852
	...	...	...	...

SCHEDULE E—*continued.*

41.—Miscellaneous Railway Expenditure.

Statement of outlay for, and to the end of, the year 1896-97—continued.

Surveys, etc.		Outlay for the year 1896-97.	Outlay to end of previous year.	Outlay to end of 1896-97.
		Rx.	Rx.	Rx.
	Brought forward	55,976	983,714	1,039,690
	Imperial—*contd.*			
VIII.—Madras	Madura-Pamben Survey	1	4,364	4,365
	Kurnool Branch Survey	...	667	667
	Arsikere-Mangalore Survey	5,409	12,998	18,407
	Shorana-Cochin Survey	...	2,645	2,645
	Cannanore-Calicut Survey	8	3,082	3,090
	Vizianagram-Parvatipur Survey	...	2,911	2,911
	Peralam-Karikal Railway (land)	1,766	...	1,766
	South Indian Railway Extension Survey (project abandoned).	...	1,045	1,045
	Tinnevelly-Quilon Survey (project abandoned)	...	425	425
		7,184	28,137	35,321
IX.—Bombay	Nuseerabad-Kekri Survey	...	202	202
	Rajpipla Railway (land)	530	191	721
	Mehsana-Viramgam Railway (land)	...	2,316	2,316
	Anand-Petlad Railway (land)	...	3,593	3,593
	Bhavnagar-Gondal Railway (land)	...	2,633	2,633
	Aden Railway Survey (project abandoned)	...	635	635
	Karwar-Hubli Survey (project abandoned)	...	†56,887	56,887
		530	66,457	66,987
	Total Imperial	63,690	1,078,308	1,141,998
	Provincial.			
I.—Burma	Bassein-Henzada Survey	28	2,356	2,384
II.—Bengal	Sultanpore-Bogra Survey	...	120	120
	*Rungpore-Dhubri Survey	...	5,262	5,262
	Western Bengal Survey (project abandoned)	...	7,519	7,519
	Tarkessur Survey (project abandoned)	...	1,723	1,723
	Howrah-Ampta Survey (project abandoned)	...	510	510
	Sakri-Joynuggur Survey (project abandoned)	...	325	325
	Mozufferpore-Sitamarhi Survey (project abandoned)	...	2,111	2,111
	Share of Secretariat Establishment	...	64,129	64,129
		...	81,699	81,699
	Carried over	28	84,055	84,083

* Expenditure from 1887-88 classified under Imperial.
† Includes Rx. 3,159 expenditure incurred in England.

SCHEDULE E—*concluded.*

41.—Miscellaneous Railway Expenditure.

Statement of outlay for, and to the end of, the year 1896-97—concluded.

Surveys, etc.		Outlay for the year 1896-97.	Outlay to end of previous year.	Outlay to end of 1896-97.
		Rx.	Rx.	Rx.
	Provincial—*contd.* Brought forward	28	84,055	84,083
III.—North-Western Provinces and Oudh.	Hardwar-Dehra Dun Survey	...	777	777
	Cawnpore-Kalpi Survey (project abandoned)	...	2,590	2,590
	Sitapore-Philibhit Survey (project abandoned)	...	2,298	2,298
	Mau-Ranipur Survey (project abandoned)	...	7,192	7,192
	Moradabad Survey (project abandoned)	...	1,948	1,948
	Gonda Survey (project abandoned)	...	2,611	2,611
	Jaunpore Survey (project abandoned)	...	3,348	3,348
	Gorakhpore Survey (project abandoned)	...	4,272	4,272
		...	25,036	25,036
IV.—Punjab	Bhatinda-Bhawalpore Survey	...	3,816	3,816
	*Umballa-Kalka-Simla Survey	...	4,202	4,202
	Rajpura-Patiala (Bhatinda Extension) (land)	...	813	813
	Rawalpindi-Murree Survey (project abandoned)	...	2,649	2,649
	Jullundur-Hoshiarpur Survey (project abandoned)	...	47	47
		...	11,527	11,527
V.—Madras	West Coast Survey	...	637	637
	Bezwáda-Masulipatam Survey	...	827	827
	Nanjangod-Gudulur Survey	...	93	93
	Nellore-Guntoor Survey	...	1,783	1,783
	Madras-Gudur Survey	...	955	955
	Palghât-Kurapatam Survey	...	1,286	1,286
	Palghât-Dindigul Survey	...	1,631	1,631
	Madura-Pamben Survey	...	2,748	2,748
	Porto Novo-Salem Survey	...	3,298	3,298
	Registration of Road Traffic	...	1,464	1,464
	Bimlipatam Survey	...	106	106
	Beypore-Calicut Survey (project abandoned)	...	1,191	1,191
		...	16,019	16,019
VI.—Bombay	Barsi-Pandharpur Survey	183	...	183
	Ahmedabad-Parantij Survey	...	273	273
	Nadiad-Kapadvanj Survey	...	215	215
	Bombay Provincial Surveys	...	10,033	10,033
		183	10,521	10,704
	Total Provincial	211	147,158	147,369
	GRAND TOTAL	63,901	1,225,466	1,289,367

* See also Imperial.

SCHEDULE F.

Statement of Capital outlay for the year 1896-97.

Railways.	Final heads of Account.	Suspense Accounts.	Grand Total.	*Deduct*—Receipts on Capital Account.	Net Expenditure.	*Deduct*—Debits to the Indian books by credits to "Expenditure in England" for value of English stores received and other items charged off in England.	Net Indian Outlay.	Estimated Indian Expenditure.		Classification of Total Outlay.			
								Budget.	Revised.	34.—Construction of Protective Railways.	37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance).	48.—Capital Expenditure on State Railways not charged against Revenue.	Outlay from debentures raised through Companies.
	Rx.	Rx.	Rx.	Rx.	Rx.	£	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
I.—India. Imperial—													
East Indian	423,001	226,552	649,553	*131*	649,422	...	649,422	850,000	680,000	...	...	*—786,279*	1,435,701
Rajputana-Malwa System	36,445	*—54,623*	*—18,178*	...	*—18,178*	...	*—18,178*	93,800	35,000	...	...	*—18,178*	...
Godhra-Rutlam	15,826	...	15,826	...	15,826	...	15,826					15,826	...
Rutlam-Nagda	24,646	*—29,637*	*—4,991*	*20*	*—5,011*	...	*—5,011*	47,500	*—1,500*	...	...	*—5,011*	...
Bhopal	2,872	...	2,872	...	2,872	...	2,872	3,000	3,000	...	...	2,872	...
Palanpur-Deesa	1,094	...	1,094	...	1,094	...	1,094	3,100	1,200	...	...	1,094	...
Secretary of State	...	70,344	70,344	...	70,344	*70,344*	...	...	...	...	...	70,344	...
State Railway Stores	...	47,358	47,358	...	47,358	*52,967*	*—5,609*	*—44,000*	*—55,300*	...	...	47,358	...
Reserve	...	...	...	...	...	...	...	92,100	*—34,700*	...	...	...	...
	503,884	259,994	763,878	*151*	763,727	*123,311*	640,416	1,045,500	627,700	...	...	*—671,974*	1,435,701
II.—Central Provinces. Wardha Coal	553	...	553	...	553	...	553	7,500	700	...	...	553	...
Warora Colliery	3,104	*—9,166*	*—6,062*	...	*—6,062*	*564*	*—6,626*	7,500	*—7,300*	...	...	*—6,062*	...
Umaria Colliery	14,453	*—7,339*	7,114	...	7,114	*1,110*	6,004	2,300	5,700	...	...	7,114	...
	18,110	*—16,505*	1,605	...	1,605	*1,674*	*—69*	17,300	*—900*	...	...	1,605	...
III.—Burma. Mu Valley	60,597	*—9,341*	51,256	*76*	51,180	...	51,180	90,000	50,600	...	...	51,180	...
Mandalay-Kunlon	97,720	18,485	116,205	*36*	116,169	*910*	115,259	500,000	115,300	...	...	116,169	...
	158,317	9,144	167,461	*112*	167,349	*910*	166,439	590,000	165,900	...	...	167,349	...
IV.—Assam. Assam-Bengal, Part I	41,026	2	41,028	...	41,028	...	41,028	150,000	45,000	...	...	41,028	...
Do. Part II	1,014,449	86,137	1,100,586	...	1,100,586	...	1,100,586	1,048,000	614,800	...	...	1,100,586	...
	1,055,475	86,139	1,141,614	...	1,141,614	...	1,141,614	1,198,000	659,800	...	...	1,141,614	...
V.—Bengal. Rajbari-Faridpur	2,313	...	2,313	...	2,313	...	2,313	...	5,000	...	...	2,313	...
Eastern Bengal	395,055	29,619	424,674	...	424,674	*163,142*	261,532	232,500	269,100	...	...	424,674	...
Tirhoot	19,406	*—7,694*	11,712	...	11,712	...	11,712	32,500	24,100	...	...	11,712	...
Tirhoot Extensions	26,827	127,387	154,214	*2*	154,212	...	154,212	400,000	220,000	...	...	154,212	...
	443,601	149,312	592,913	*2*	592,911	*163,142*	429,769	665,000	518,200	...	...	592,911	...
VI.—North-Western Provinces and Oudh. Oudh and Rohilkhand	66,779	*—25,983*	40,796	*39*	40,757	*71,322*	*—30,565*	17,500	*—15,000*	...	...	40,757	...
Rae Bareli-Benares	177,231	77,055	254,286	*43*	254,243	*6,687*	247,556	233,100	250,600	...	...	254,243	...
Cawnpore-Burhwal	22,936	282	23,218	*24*	23,194	...	23,194	9,600	27,500	...	...	23,194	...
	266,946	51,354	318,300	*106*	318,194	*78,009*	240,185	260,200	263,100	...	...	318,194	...
VII.—Punjab. North-Western	480,191	9,784	489,975	...	489,975	*318,464*	171,511	31,800	136,100	...	...	489,975	...
„ Gradient Improvements	*—10,408*	...	*—10,408*	*3*	*—10,411*	...	*—10,411*	*—10,000*	*—10,000*	...	...	*—10,411*	...
Kotri-Rohri	485,617	*—44,918*	440,699	*505*	440,194	*86,784*	353,410	392,400	344,900	...	...	440,194	...
Wazirabad-Lyallpur	88,049	*—9,952*	78,097	...	78,097	*41,332*	36,765	49,300	37,500	...	...	78,097	...
Lyallpur-Khanewal	6,023	16	6,039	...	6,039	...	6,039	...	5,000	...	...	6,039	...
Mari-Attock	332,025	47,574	379,599	*361*	379,238	*34,200*	345,038	263,500	343,000	...	...	379,238	...
Mushkaf-Bolan	170,842	*—262*	170,580	*378*	170,202	*74,821*	95,381	107,600	129,600	...	...	170,220	...
Frontier Railway Reserve Material	6	1,097	1,103	...	1,103	*441*	662	400	1,200	...	...	1,103	...
Jullunder-Hoshiarpur	1,689	...	1,689	...	1,689	...	1,689	...	...	...	...		...
Ludhiana-Ferozepore	2,254	...	2,254	...	2,254	...	2,254	...	...	...	...		...
	1,556,288	3,339	1,559,627	*1,247*	1,558,380	*556,042*	1,002,338	835,000	987,300	...	...	1,558,380	...
VIII.—Madras. Guntakal-Mysore frontier	1,768	...	1,768	...	1,768	...	1,768	4,000	2,000	...	...	1,768	...
South Indian	7,911	7,042	14,953	...	14,953	...	14,953	50,000	15,000	...	...	14,953	...
East Coast including Bezwada Extension	292,382	*—3,586*	288,796	*328*	288,468	...	288,468	197,800	292,800	...	...	288,468	...
Bezwada-Madras (Ennore Section)	960	...	960	...	960	...	960	...	1,000	...	...	960	...
Bezwada-Madras (Ennore-Bezwada Section)	541,559	256,085	797,644	*157*	797,487	*212,871*	584,616	595,000	607,500	...	...	797,487	...
Godavari Bridge	16,922	364	17,286	...	17,286	...	17,286	...	21,000	...	...	17,286	...
	861,502	259,905	1,121,407	*485*	1,120,922	*212,871*	908,051	846,800	939,300	...	...	1,120,922	...
IX.—Bombay. Dhond and Manmad	3,370	*—1,326*	2,044	...	2,044	...	2,044	4,000	2,500	...	...	2,044	...
Total Imperial	4,867,493	801,356	5,668,849	*2,103*	5,666,746	*1,135,959*	4,530,787	5,461,800	4,162,900	...	...	4,231,045	1,435,701

SCHEDULE F—*concluded.*

Statement of Capital outlay for the year 1896-97—concluded.

Railways.	Final heads of Account.	Suspense Accounts.	Grand Total.	*Deduct*—Receipts on Capital Account.	Net Expenditure.	*Deduct*—Debits to the Indian books by credits to "Expenditure in England" for value of English stores received and other items charged off in England.	Net Indian Outlay.	Estimated Indian Expenditure.		Classification of Total Outlay.			
								Budget.	Revised.	34.—Construction of Protective Railways.	37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance).	48.—Capital Expenditure on State Railways not charged against Revenue.	Outlay met from debentures raised through Companies.
	Rx.	Rx.	Rx.	Rx.	Rx.	£	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Provincial.													
I.—Burma . Burma	6,527	6,002	12,929	...	12,929	10,884	2,045	13,200	3,000	...	...	12,929	...
II.—Assam . Jorhat	4,483	2,150	6,633	...	6,633	...	6,633	6,000	6,700	...	6,633	...	...
Cherra-Companygunj	105	*—86*	19	*816*	*—797*	...	*—797*	...	*—100*	...	*—797*	...	...
	4,588	2,064	6,652	*816*	5,836	...	5,836	6,000	6,600	...	5,836	...	...
III.—Madras . Mayavaram-Mutupet	1,854	*—10*	1,844	...	1,844	...	1,844	4,000	2,000	...	1,844	...	...
IV.—Bombay . Hyderabad-Shadipalli	5,634	*—564*	5,070	...	5,070	...	5,070	4,500	5,400	...	5,070	...	...
Total Provincial	19,003	7,492	26,495	*816*	25,679	10,884	14,795	27,700	17,000	...	12,750	12,929	...
GRAND TOTAL	4,886,496	808,848	5,695,344	2,919	5,692,425	1,146,843	4,545,582	5,489,500	4,179,900	...	12,750	4,243,974	1,435,701

SCHEDULE G.

Statement of Net Capital Outlay from commencement of operations to end of the official year 1896-97.

Railways.	Final heads of Account.	*Deduct*—Value of stores received from Guaranteed Companies on purchase of lines by the State.	Suspense Accounts.	Grand Total.	*Deduct*—Receipts on Capital Account.	Net Expenditure.	*Deduct*—Debits to the Indian books by credits to "Expenditure in England" for value of English stores received and other items charged off in England.	Net Indian outlay.	Classification of Total Outlay.					
									34.—Construction of Protective Railways.	37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance).	Other expenditure on construction charged against Revenue, including exchange prior to 1884-85.	48.—Capital expenditure on State Railways not charged against Revenue.	51.—Capital charges involved in redemption of liabilities.	Outlay met from debentures raised through Companies.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	£	Rx.	Rx.	Rx.	Rx.	Rx.	£	Rx.
Imperial.														
I.—India . East Indian	17,190,192	*848,751*	994,918	17,336,359	*154,388*	17,181,971	*12,032,765*	5,149,206	...	...	16,759	3,414,373	12,043,440	1,707,399
Rajputana-Malwa System	12,875,113	...	456,453	13,331,566	*27,605*	13,303,961	*2,834,895*	10,469,066	1,224,504	...	550,625	11,528,832	...	...
Godhra-Rutlam	1,578,711	...	...	1,578,711	*1,074*	1,577,637	...	1,577,637	...	...	13,210	1,564,427	...	...
Rutlam-Nagda	161,642	...	...	161,642	*94*	161,548	...	161,548	...	...	859	160,689	...	...
Palanpur-Deesa	41,825	...	...	41,825	(*a*) *18,500*	23,325	...	23,325	...	...	196	23,129	...	...
Bhopal	235,000	...	...	235,000	*411*	234,589	...	234,589	...	131,057	...	103,532	...	...
Secretary of State	...	...	74,920	74,920	...	74,920	*74,920*	...	...	...	...	74,920	...	...
State Railway Stores	2,596	...	48,334	50,930	*252*	50,678	*3,396,065*	*—3,345,387*	...	...	762	49,916	...	...
	32,085,079	*848,751*	1,574,625	32,810,953	*202,324*	32,608,629	*18,338,665*	14,269,964	1,224,504	131,057	582,411	16,919,818	12,043,440	1,707,399
II.—Central Provinces . Wardha Coal	503,687	...	...	503,687	*4,054*	499,633	*94,784*	404,849	...	...	85,903	413,730	...	...
Warora Colliery	141,389	...	52,058	193,447	*181*	193,266	*96,330*	96,936	...	...	...	193,266	...	...
Umaria Colliery	107,387	...	9,216	116,603	*10*	116,593	*26,310*	90,283	...	...	...	116,593	...	...
Nagpur-Chhattisgarh Depreciation Account	65,704	...	...	65,704	*1*	65,703	...	65,703	...	...	86,180	*—20,477*	...	...
Bilaspur-Etawah	7,515	...	...	7,515	*1*	7,514	...	7,514	18,088	...	...	*—10,574*	...	...
	825,682	...	61,274	886,956	*4,247*	882,709	*217,424*	665,285	18,088	...	172,083	692,528		...
III.—Burma . Mu Valley	2,221,200	...	43,851	2,265,051	*4,693*	2,260,358	*344,074*	1,916,284	...	...	35,407	2,224,951	...	...
Mandalay-Kunlon	179,195	...	29,087	208,282	*37*	208,245	*910*	207,335	...	...	32,680	175,565	...	...
	2,400,395	...	72,938	2,473,333	*4,730*	2,468,603	*344,984*	2,123,619	...	...	68,087	2,400,516	...	...
IV.—Assam . Assam-Bengal, Part I	310,062	...	5	310,067	...	310,067	...	310,067	...	...	...	310,067	...	...
Do. Part II	1,904,535	...	246,313	2,150,848	...	2,150,848	...	2,150,848	...	...	...	2,150,848	...	...
	2,214,597	...	246,318	2,460,915	...	2,460,915	...	2,460,915	...	...	...	2,460,916	...	...
Carried over	37,525,753	*848,751*	1,955,155	38,632,157	*211,301*	38,420,856	*18,001,053*	19,519,803	1,242,592	131,057	822,581	22,473,787	12,043,440	1,707,399

(*a*) Contribution by Palanpur Durbar.

Statement of Net Capital Outlay from commencement of operations to end of the official year 1896-97—concluded.

Railway.	Final heads of Account.	*Deduct*—Value of stores received from Guaranteed Companies on purchase of lines by the State.	Suspense Accounts.	Grand Total	*Deduct*—Receipts on Capital Account.	Net Expenditure.	*Deduct*—Debits to the Indian books by credits to "Expenditure in England" for value of English stores received and other items charged off in England.	Net Indian Outlay.	Classification of Total Outlay. 34.—Construction of Protective Railways.	37.—Construction of Railways (charged against Revenue in addition to that under Famine Insurance).	Other expenditure on construction charged against Revenue, including exchange prior to 1884-85.	48.—Capital expenditure on State Railways not charged against Revenue.	51.—Capital charges involved in redemption of liabilities.	Outlay met from debentures raised through Companies.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.	£	Rx.	Rx.	Rx.	Rx.	Rx.	£	Rx.
Brought forward	37,525,753	848,751	1,955,155	38,632,157	211,301	38,420,856	18,901,053	19,519,803	1,242,592	131,057	822,581	22,473,787	12,043,440	1,707,399
Imperial—*continued.*														
V.—Bengal: Rajbari-Faridpur	2,313	...	...	2,313	...	2,313	...	2,313	...	...	...	2,313	...	...
V.—Bengal: Eastern Bengal	9,175,514	72,788	214,261	9,316,987	51,068	9,265,019	3,920,549	5,335,470	242,995	97,251	211,043	7,143,946	1,569,784	...
V.—Bengal: Tirhoot	2,569,610	...	(a) 26,228	2,595,838	9,129	2,586,709	479,386	2,107,323	186,061	...	142,486	2,258,162	...	...
V.—Bengal: Tirhoot Extensions	32,183	...	127,387	157,570	2	(b) 157,568	...	157,568	...	...	3,356	154,212	...	...
V.—Bengal: Ranaghat-Bhagwangola	30,271	...	...	30,271	27	30,244	...	30,244	...	...	6,601	23,643	...	...
	11,807,891	72,788	367,876	12,102,979	61,120	12,041,853	4,408,935	7,632,918	429,056	97,251	363,486	9,582,276	1,569,784	...
VI.—North-Western Provinces and Oudh: Oudh and Rohilkhand	11,719,733	330,205	238,484	11,628,012	17,582	11,610,430	11,026,784	583,646	...	..	4,689	1,269,692	10,336,049	...
VI.—North-Western Provinces and Oudh: Rae Bareli-Benares	212,313	...	106,506	318,819	48	318,771	6,687	312,084	...	...	5,284	313,487	...	...
VI.—North-Western Provinces and Oudh: Cawnpore-Burhwal	216,465	...	2,556	219,021	72	218,949	25,033	193,016	...	...	...	218,940	...	...
VI.—North-Western Provinces and Oudh: Lucknow-Bareilly	513,094	...	...	513,094	980	512,114	16,042	495,172	...	358,346	7,960	145,808	...	...
	12,661,605	330,205	347,546	12,678,946	18,682	12,660,264	11,076,340	1,583,918	...	358,346	17,933	1,947,936	10,336,049	...
VII.—Punjab: Jullunder-Hoshiarpur	1,689	...	...	1,689	...	1,689	...	1,689	...	...	...	1,689	...	...
VII.—Punjab: Ludhiana-Ferozepore	2,254	...	...	2,254	...	2,254	...	2,254	...	..	...	2,254	...	...
VII.—Punjab: North Western	35,705,701	483,665	1,095,367	36,317,403	250,239	36,067,164	13,379,769	22,687,395	...	4,779,792	859,346	25,516,405	4,911,621	...
VII.—Punjab: " Gradient Improvements	731,846	...	...	731,846	344	731,502	62,705	668,797	...	...	...	731,502	...	...
VII.—Punjab: Kotri-Rohri	1,171,797	...	29,307	1,201,104	685	1,200,419	283,257	917,162	...	...	227	1,200,192	...	...
VII.—Punjab: Wazirabad-Lyallpur	326,691	...	—3,526	323,165	5	323,160	42,096	281,064	...	...	3,867	319,293	...	...
VII.—Punjab: Mari-Attock	1,019,403	...	113,411	1,132,814	872	(c) 1,131,942	63,140	1,068,802	...	...	37,909	1,094,033	...	...
VII.—Punjab: Mushkaf-Bolan	1 985,054	...	10,289	1,995,343	5,062	1,990,281	273,237	1,717,044	...	..	1,662	1,988,619	...	...
VII.—Punjab: Lyallpur-Khanewal	6,023	...	16	6,039	...	6,039	...	6,039	...	...	...	6,039	...	...
VII.—Punjab: Petroleum Operations, Baluchistan	11,920	...	...	11,920	1	11,919	7,992	3,927	...	...	...	11,919	...	...
VII.—Punjab: Frontier Railway Reserve Material	3,344	...	435,692	439,036	2	439,034	368,624	70,410	...	333,048	...	105,986	...	...
VII.—Punjab: Peshawar Railway Reserve Material	...	...	36,776	36,776	...	36,776	...	36,776	...	...	...	36,776	...	...
	40,965,722	483,665	1,717,332	42,199,389	257,210	41,942,179	14,480,910	27,461,269	...	5,112,840	903,011	31,014,707	4,911,621	...
VIII.—Madras: Godavari Bridge	16,922	...	364	17,286	...	17,286	...	17,286	...	...	...	17,286	...	...
VIII.—Madras: Guntakal-Mysore frontier	590,135	...	...	590,135	5	590,130	...	590,130	13,383	...	...	576,747	...	...
VIII.—Madras: Bellary-Kistna	1,659,842	...	...	1,659,842	2,001	1,657,841	151,443	1,506,398	863,488	...	...	794,353	...	...
VIII.—Madras: South Indian	7,474,981	341,485	274,716	7,408,212	51,158	7,357,054	5,364,149	1,992,905	444,604	...	...	2,219,893	4,692,557	...
VIII.—Madras: East Coast, including Bezwada Extension	5,606,312	...	173,185	5,779,497	5,885	5,773,612	104,335	5,669,277	3,531,987	201,225	28,580	2,011,820	...	...
VIII.—Madras: Bezwada-Madras (Ennore Madras Section)	58,205	...	...	58,205	...	58,205	6,026	52,179	...	...	...	58,205	...	...
VIII.—Madras: Ditto (Ennore-Bezwada Section)	627,458	...	322,595	950,053	158	949,895	230,075	719,820	...	...	12,933	936,962	...	...
VIII.—Madras: Vizagapatam-Raipur	24,505	...	...	24,505	1	24,504	...	24,504	16,054	8,450	...	...	...	...
	16,058,360	341,485	770,860	16,487,735	59,208	16,428,527	5,856,028	10,572,499	4,869,516	209,675	41,513	6,615,266	4,692,557	...
X.—Bombay: Dhond and Manmad	1,139,320	...	1,207	1,140,527	1,572	1,138,955	442,871	696,084	...	...	73,796	1,065,159	...	...
X.—Bombay: Southern Mahratta (depreciation on works)	61,476	...	13,262	74,738	22,031	52,707	...	52,707	9,767	...	42,940	...	...	...
	1,200,796	...	14,469	1,215,265	23,603	1,191,662	442,871	748,791	9,767	...	116,736	1,065,159	...	...
Total Imperial	120,220,127	2,076,894	5,173,238	123,316,471	631,130	122,685,341	55,166,143	67,519,198	6,550,931	5,909,169	2,265,260	72,699,131	33,553,451	1,707,399
Provincial.														
I.—Burma: Burma	5,318,273	...	102,776	5,421,049	17,100	(d) 5,403,949	1,369,453	4,034,496	...	...	136,598	5,267,351	...	...
II.—Assam: Jorhat	85,403	...	4,473	89,876	313	89,563	...	89,563	...	89,563	...	...	...	...
II.—Assam: Cherra-Companygunj	78,804	...	...	78,804	1,427	77,377	...	77,377	...	77,377	...	...	...	...
	164,207	...	4,473	168,680	1,740	166,940	...	166,940	...	166,940	...	...	...	...
III.—Madras: Mayavaram-Mutupet	246,944	...	...	246,944	...	246,944	...	246,944	...	246,944	...	...	...	...
IV.—Bombay: Hyderabad-Shadipalli	182,993	...	...	182,993	7	182,986	...	182,986	...	182,986	...	...	...	...
Total Provincial	5,912,417	...	107,249	6,019,666	18,847	6,000,819	1,369,453	4,631,366	...	596,870	136,598	5,267,351	...	...
GRAND TOTAL	126,132,544	2,076,894	5,280,487	129,336,137	649,977	128,686,160	56,535,596	72,150,564	6,550,931	6,506,039	2,401,858 / *-43,357	77,966,482 / *+43,357	33,553,451	1,707,399

(a) Suspense accounts up to end of 1896-97 . . . . . Rx. 71,440
Less—Value of stores in hands of Bengal and North-Western Railway Company on 1st July 1890 . . 45,212
26,228

(b) Includes Rx. 3,356 transferred from 41—Imperial.
(c) " " 11,852 " " "
(d) " " 5,048 " " "

* Adjustment on account of expenditure on lines transferred to Companies.

SCHEDULE H.

Statement showing expenditure on lines not opened for traffic on 31st March 1897, on stores in reserve, and on abandoned projects, etc. (vide *para. 2*).

	Expenditure on 31st March 1897.
	Rx.
Lines under Construction—	
Mandalay-Kunlon	507,686*
Rae Bareli-Benares	318,771
Tirhoot Extensions	157,568
Rajbari-Faridpur	2,313
Kotri-Rohri	1,200,419
Mari-Attock	1,131,942
Lyallpur-Khanewal	6,039
Ludhiana-Ferozepore	2,254
Jullunder-Hoshiarpur	1,689
Bezwada-Madras (Ennore-Bezwada Section)	949,895
Godavari Bridge	17,286
Bengal Nagpur Extensions	1,694,014
Indian Midland—Saugor-Katni Section	639,115
Brahmaputra-Sultanpur	1,008
South Behar	122,899
Mymensingh-Jamalpur	6,717
Ahmedabad-Parantij	152,275
Tapti Valley	79,246
Stores in Reserve—	
Peshawar Railway Reserve Material	36,776
Frontier Railway Reserve Material	439,034
At Ports and in transit	125,598
Projects in abeyance—	
Bilaspur-Etawah	7,514
Ranaghat-Bhagwangola	30,244
Vizagapatam-Raipur	24,504
Other items—	
Petroleum Operations, Baluchistan	11,919
Nagpur-Chhattisgarh Depreciation Account	65,703
Southern Mahratta (Depreciation on works)	52,707
TOTAL	7,785,135

* Approximate outlay.

SCHEDULE I.

Statements showing the Financial Results to the State of lines in the hands of Companies other than the old Guaranteed Railways.

BENGAL CENTRAL RAILWAY.

Year.	Interest paid in England.					Net Traffic receipts accruing to Government (*b*).	Charge to the State (*a*—*b*).
	Sterling payments.	*Deduct*—Repayments by Company to the Secretary of State in England.	Net charge to State.	Rate of exchange.	Equivalent in Indian currency expressed in Rx. (*a*)		
	£	£	£	*s.* *d.*	Rx.	Rx.	Rx.
1881-82	4,301	2,290	2,011	1 7·895	2,426	...	2,426
1882-83	13,320	3,680	9,640	1 7·522	11,851	...	11,851
1883-84	24,003	2,645	21,358	1 7·536	26,238	...	26,238
1884-85	29,675	202	29,473	1 7·308	36,635	...	36,635
1885-86	24,802	...	24,802	1 6·2541241	32,609	—585	33,194
1886-87	31,448	...	31,448	1 5·44103006	43,275	—8,776	52,051
1887-88	32,542	...	32,542	1 4·89891317	46,216	7,926	38,290
1888-89	35,625	...	35,625	1 4·3790907	52,201	21,242	30,959
1889-90	34,709	35	34,674*	1 4·56598718	50,234	27,343	22,891
1890-91	33,750	...	33,750	1 6·08930408	44,778	24,784	19,994
1891-92	33,750	...	33,750	1 4·73333812	48,407	19,110	29,297
1892-93	33,750	...	33,750	1 2·98477785	54,055	24,198	29,857
1893-94	33,750	...	33,750	1 2·54664222	55,683	22,996	32,687
1894-95	33,750	...	33,750	1 1·10054948	61,830	25,944	35,886
1895-96	33,750	...	33,750	1 1·63814874	59,392	32,451	26,941
1896-97	33,750	...	33,750	1 2·45057491	56,053	24,287	31,766
TOTAL	466,675	8,852	457,823	...	681,883	220,920	460,963

* The Finance and Revenue Accounts of the Government of India show the net charge only, and do not exhibit any amount under repayments.

BENGAL NAGPUR RAILWAY.

Year.	Interest.					Net Traffic receipts accruing to Government (*b*).	Charge to the State (*a*—*b*).
	Amount charged in India.	Amount paid in England.			Total interest, England and India, expressed in Rx. (*a*).		
		Sterling payments.	Rate of exchange.	Equivalent in Indian currency expressed in Rx.			
	Rx.	£	*s.* *d.*	Rx.	Rx.	Rx.	Rx.
1887-88	...	82,563	1 4·89891317	117,257	117,257	50,716	66,541
1888-89	19,415	161,293	1 4·3790907	236,340	255,755	36,459	219,296
1889-90	19,415	190,091	1 4·56598718	275,394	294,809	70,981	223,828
1890-91	19,415	228,570	1 6·08930408	303,256	322,671	84,510	238,161
1891-92	19,415	249,250	1 4·73333812	357,489	376,904	334,280	42,624
1892-93	19,415	252,500	1 2·98477785	404,410	423,825	292,257	131,568
1893-94	19,415	259,624	1 2·54664222	428,344	447,759	351,185	96,574
1894-95	19,415	260,950	1 1·10054948	478,056	497,471	344,359	153,112
1895-96	19,730	254,700	1 1·63814874	448,213	467,943	328,394	139,549
1896-97	36,869	260,950	1 2·45057491	433,395	470,264	260,378	209,886
TOTAL	192,504	2,200,491	...	3,482,154	3,674,658	2,153,519	1,521,139

INDIAN MIDLAND RAILWAY.

1885-86	...	22,263	1 6·2541241	29,271	29,271	...	29,271
1886-87	...	110,323	1 5·44103006	151,811	151,811	1,035	150,776
1887-88	...	118,252	1 4·89891317	167,943	167,943	10,465	157,478
1888-89	...	170,293	1 4·3790907	249,528	249,528	38,642	210,886
1889-90	2,050†	218,654	1 4·56598718	316,775	318,825	80,644	238,181
1890-91	...	242,661	1 6·08930408	321,951	321,951	77,761	244,190
1891-92	...	249,268	1 4·73333812	357,514	357,514	168,457	189,057
1892-93	...	253,441	1 2·98477785	405,918	405,918	152,268	253,650
1893-94	...	255,721	1 2·54664222	421,906	421,906	146,712	275,194
1894-95	...	253,221	1 1·10054948	463,897	463,897	227,244	236,653
1895-96	182	251,970	1 1·63814874	443,409	443,591	169,625	273,966
1896-97	4,309	253,149	1 2·45059491	420,438	424,747	195,776	228,971
TOTAL	6,541	2,399,216	...	3,750,361	3,756,902	1,268,629	2,488,273

† Interest on overdrawn capital.

SCHEDULE I—*continued.*

SOUTHERN MAHRATTA RAILWAY.

YEAR.	INTEREST. On outlay by Government on the Bellary-Kistna Railway.	Paid in India.	Amount paid in England. Sterling payments.	Rate of exchange.	Equivalent in Indian currency expressed in Rx.	Total interest, England and India, expressed in Rx. (*a*).	Net Traffic receipts accruing to Government (*b*).	Charge to the State (*a*—*b*).
	Rx.	Rx.	£	s. d.	Rx.	Rx.	Rx.	Rx.
1882-83	42	32,950	...	...	...	32,992	...	32,992
1883-84	1,916	85,396	...	...	...	87,312	—95	87,407
1884-85	11,255	118,170	...	...	...	129,425	61	129,364
1885-86	26,931	289	148,821	1 6·2541241	195,665	222,885	21,516	201,369
1886-87	42,218	347	153,860	1 5·44103006	211,722	254,287	56,721	197,566
1887-88	57,758	378	187,579	1 4·89891317	266,401	324,537	*101,948	222,589
1888-89	66,189	288	219,271	1 4·3790907	321,203	387,770	100,842	286,928
1889-90	66,206	...	231,660	1 4·56598718	335,617	401,823	76,604	325,219
1890-91	66,259	...	239,122	1 6·08930408	317,255	383,514	120,421	263,093
1891-92	66,300	...	229,410	1 4·73333812	329,034	395,334	126,307	269,027
1892-93	66,305	...	220,704	1 2·98477785	353,485	419,790	139,407	280,383
1893-94	66,310	...	222,399	1 2·54664222	366,928	433,238	148,496	284,742
1894-95	66,310	...	223,010	1 1·10054948	408,550	474,860	160,910	313,950
1895-96	66,312	...	221,735	1 1·63814874	390,203	456,515	219,592	236,923
1896-97	66,314		221,735	1 2·45057491	368,265	434,579	210,987	223,592
TOTAL	736,625	237,818	2,519,306	...	3,864,418	4,838,861	1,483,717 **	3,355,144

NOTE.—The interest on the capital expended by Government prior to handing the line over to the Company, amounting to Rx. 26,412, is not included in the above statement.
*Net receipts after deducting the net loss (Rx. 2,338) on the working of the Bellary-Kistna Railway from July to December 1887.

MYSORE STATE RAILWAY.

								(*a*)
1886-87	...	48,000	1 5·44103006	66,051	66,051	17,257		48,794
1887-88	...	48,000	1 4·89891317	68,170	68,170	9,055		59,115
1888-89	...	48,000	1 4·3790907	70,334	70,334	11,270		59,064
1889-90	...	48,000	1 4·56598718	69,540	69,540	10,557		58,983
1890-91	...	48,000	1 6·08930408	63,684	63,684	26,322		37,362
1891-92	...	48,000	1 4·73333812	68,845	68,845	31,424		37,421
1892-93	...	48,000	1 2·98477785	76,878	76,878	52,413		24,465
1893-94	...	48,000	1 2·54664222	79,194	79,194	36,680		42,514
1894-95	...	48,000	1 1·10054948	87,935	87,935	37,253		50,682
1895-96	...	48,000	1 1·63814874	84,469	84,469	51,336		33,133
1896-97		48,000	1 2·45057491	79,720	79,720	49,220		30,500
TOTAL	...	528,000	...	814,820	814,820	332,787		482,033

(*a*). The difference between the net receipts and interest on the actual Capital expenditure incurred on the line is recovered from the Mysore Durbar, and the balance, representing interest on the unexpended balance of capital retained in its hands, is borne by the State. The amounts so recovered from the Mysore Durbar are as follows :—

	Rx.		Rx.
1886-87	1,584	1891-92	31,567
1887-88	24,764	1892-93	17,883
1888-89	42,768	1893-94	34,054
1889-90	49,012	1894-95	41,694
1890-91	30,505	1895-96	25,252
		1896-97	24,052

and deducting these amounts from the net charge for interest shown in the last column of the preceding statement, the balance will represent the charge borne by Government, as shown below :—

	Rx.
1886-87	47,210
1887-88	34,351
1888-89	16,296
1889-90	9,971
1890-91	6,857
1891-92	5,854
1892-93	6,582
1893-94	8,460
1894-95	8,988
1895-96	7,881
1896-97	6,448
	158,898

SCHEDULE I—*concluded.*

LUCKNOW-BAREILLY.

YEAR.	INTEREST. On outlay incurred by Government prior to transfer to Company.	On Company's Capital.	On advances by Government.	Total. (*a*)	Net Traffic Receipts accruing to Government. (*b*)	Charge to the State. (*a*—*b*)
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
1890-91*	5,279†	‡	‡	5,279	2,928	2,351
1891-92	20,438	3,928	3,511	27,877	23,205	4,672
1892-93	20,485	7,529	3,164	31,178	26,755	4,423
1893-94	20,485	7,695	4,699	32,879	28,740	4,139
1894-95	20,485	8,768	6,257	35,510	38,528	—3,018
1895-96	20,485	8,475	6,051	35,011	27,719	7,292
1896-97	20,485	7,930	7,218	35,633	26,876	8,757
	128,142	44,325	30,900	203,367	174,751	28,616

* From 1st January to 31st March 1891.
† One-fourth of interest charged for the year.
‡ Interest charged to Capital during construction.

ASSAM-BENGAL.

YEAR.	INTEREST. On moneys provided by Government and charged to Part I.	On outlay from "48" and charged to Part II.	Amount paid in England. Sterling payments.	Rate of Exchange.	Equivalent in Indian currency expressed in Rx.	Total England and India expressed in Rx. (*a*)	Net Traffic Receipts accruing to Government. (*b*)	Charge to the State. (*a*—*b*)
	Rx.	Rx.	£	s. d.	Rx.	Rx.	Rx.	Rx.
1891-92	957	...	...	...	...	957	...	957
1892-93	1,242	...	26,055	1 2·98477785	41,730	42,972	...	42,972
1893-94	1,909	...	47,089	1 2·54664222	77,690	79,599	...	79,599
1894-95	5,756	14,596	49,473	1 1·10054948	90,634	110,986	...	110,986
1895-96	9,512	35,602	58,773	1 1·63814874	103,427	148,541	9,850	138,691
1896-97	11,582	64,022	67,242	1 2·45057491	111,678	187,282	—1,078	188,360
	30,958	114,220	248,632	...	425,159	570,337	8,772	561,565

BURMA RAILWAYS.

YEAR.	INTEREST. On outlay incurred by Government prior to transfer to Company.	Amount paid in England. Sterling payments.	Rate of Exchange.	Equivalent in Indian currency expressed in Rx.	Total England and India expressed in Rx. (*a*)	Net Traffic Receipts accruing to Government. (*b*)	Gain to the State. (*b*—*a*)
	Rx.	£	s. d.	Rx.	Rx.	Rx.	Rx.
1896-97 (from 1st September 1896)	181,590	19,085	1 2·45057491	31,697	213,287	237,454	24,167

Schedule J.

Statement showing the Charge upon the general Tax-payer in respect of the Construction of Railways in India from 1858-59 to 1896-97.

Revenue.	To end of 1895-96.	1896-97.	To end of 1896-97.
	Rx.	*Rx.*	*Rx.*
State Railways—Gross Traffic Receipts	199,383,891	17,639,604	217,023,495
Guaranteed Companies—Net Traffic Receipts	113,419,077	2,634,164	116,053,241
Subsidised Companies—Repayment of Advances of Interest	312,880	24,052	336,932
TOTAL REVENUE	313,115,848	20,297,820	333,413,668
CHARGES AGAINST REVENUE.			
Railway Revenue Account.			
State Railways—Working Expenses	99,375,472	8,819,553	108,195,025
" " Interest at 4% on Capital Outlay not charged to Revenue	37,513,169	3,210,009	40,723,178
" " Annuities in purchase of Railways	34,847,446	2,844,343	37,691,789
" " Interest chargeable against Companies on Advances	1,938,674	404,708	2,343,382
" " Interest on Capital deposited by Companies	10,240,809	1,215,145	11,455,954
Guaranteed Companies—Surplus Profits, etc.	11,996,845	447,302	12,444,147
" " Land and Supervision	3,889,762	28,083	3,917,845
" " Interest	141,239,210	3,597,232	144,836,442
Subsidised Companies—Land and Subsidy	512,315	85,020	597,335
" " Advances of Interest	107,000	...	107,000
Miscellaneous Railway Expenditure	1,226,422	63,901	1,290,323
Total Railway Revenue Account	342,887,124	20,715,296	363,602,420
Outlay on Construction charged against Revenue.			
Construction of Protective Railways	6,550,931	...	6,550,931
Construction of Railways	6,493,289	12,750	6,506,039
Other Outlay charged to Construction, including Exchange prior to 1884-85	2,358,501	...	2,358,501
TOTAL CHARGES AGAINST REVENUE	358,289,845	20,728,046	379,017,891
Loss, excluding indirect charges	45,173,997	430,226 (a)	45,604,223 (a)
Indirect charges	1,736,509	103,368	1,839,877
Loss, including indirect charges	46,910,506	533,594	47,444,100

(a) Indirect charges for, and to end of the Calendar year 1896.

G. I. C. P. O.—No. 23 A. G., P. W. D.—16-6-98—900—F. C. C.

No. 355 A.—R.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.
RAILWAY.

Simla, the 2nd June 1898.

Review of the Revenue and Expenditure of the Railway Branch of the Public Works Department for 1896-97.

READ—

Note by A. R. Becher, Esq., Accountant General, Public Works Department, on the Capital and Revenue Accounts of Railways in India for 1896-97, No. 184 R., dated 11th April 1898.

RESOLUTION—The note by the Accountant General, copy of which is appended, exhibits the transactions of the Public Works Department with regard to Railways during the year 1896-97, and shows the financial results to the State of the working of State and Guaranteed railways.

2. During the year under review, 657¼ additional miles of railway were opened for traffic, and the further capital outlay incurred was as under :—

	Miles.	Capital outlay. Rx.	Capital outlay. £
State Railways—			
Productive	368¾	5,113,308	...
Defensive	85¾	579,117	...
Total State railways	454½	5,692,425	...
Guaranteed railways	1	...	261,569
State lines leased to Companies	201¾	...	1,816,773
Branch line companies	...	322,908	...
	657¼	6,015,333	2,078,342

The mileage open at the end of the year aggregated 17,966 miles exclusive of 2,432½ miles of lines belonging to Native States and other bodies, with which the Government of India have no financial concern.

The capital outlay incurred on construction of State and Guaranteed railways to the end of 1896-97 stood as under :—

	Rx.	£
(i) On State lines—		
Direct capital outlay including outlay incurred from debentures raised by the East Indian Railway Company ...	95,132,709	...
Redemption of liabilities ...	...	33,553,451
(ii) On State lines leased to Companies ...	...	27,338,341
(iii) On Guaranteed railways	...	46,174,078
(iv) Branch line companies	362,145	...
	95,494,854	107,065,870

3. The gross revenue for the year showed a decrease of Rx. 1,490,246, as compared with that of the previous year, bringing the total down to Rx. 23,348,836 derived as under :—

1895-96. Rx.		1896-97. Rx.
18,558,699	State railways	17,639,604
6,255,131	Guaranteed railways	5,685,180
25,252	Subsidised railways (repayment of advances of interest)	24,052
24,839,082	GRAND TOTAL	23,348,836

The gross charges for the year showed a decrease of Rx. 450,533 bringing the total expended down to Rx. 26,008,817 as under :—

1895-96. Rx.		1896-97. Rx.
11,578,792	Working expenses	11,487,615
943,444	Surplus profits, share of net earnings, etc....	830,256
5,426,318	Interest on sterling outlay, including interest paid to Guaranteed Companies ...	5,217,085
5,390,984	Interest on rupee outlay	5,452,514
3,001,104	Terminable annuities issued for purchase of railways	2,844,343
118,708	Other charges	177,004
26,459,350	GRAND TOTAL ...	26,008,817

The transactions thus recorded result in a net charge to the State of Rx. 2,659,981, as compared with a net charge of Rx. 1,620,268 in the preceding year. In paragraph 7 of the Accountant General's note, the charge for the year will be seen to have been distributed as follows :—

1895-96. Rx.		1896-97. Rx.
—493,868	State railways	—1,096,659
—1,061,752	Guaranteed railways	—1,438,453
+7,001	Subsidised Companies	—60,968
—71,649	Miscellaneous	—63,901
—1,620,268	Net charge	—2,659,981

The transactions of the principal lines working up to the above result were as follows :—

Railway.	Gross Traffic earnings.	Charges. Working expenses including Companies' share of surplus profits, etc.	Interest and annuities.	Charges for land and cost of controlling establishments, etc.	Total charges.	Gain or loss + or —
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
State Railways.						
East Indian	5,450,916	1,849,021	2,777,993	...	4,627,014	+823,902
Rajputana-Malwa system ...	2,010,983	1,026,902	606,873	...	1,633,775	+377,208
Bengal-Nagpur	612,899	352,521	470,264	...	822,785	—209,886
Burma railways	804,262	461,820	342,994	...	804,814	—552
Eastern Bengal	1,500,587	604,068	590,359	...	1,194,427	+306,160
Bengal and North-Western and Tirhoot.	565,006	437,276	103,234	...	540,510	+24,496
Oudh and Rohilkhand ...	818,621	450,084	601,650	...	1,051,734	—233,113
Indian Midland	485,746	289,970	424,747	...	714,717	—228,971
North-Western	2,887,907	1,710,588	2,300,964	...	4,011,552	—1,123,645
South Indian	899,281	516,895	401,778	...	918,673	—19,392
East Coast	265,982	203,232	225,175	...	428,407	—162,425
Southern Mahratta and Mysore.	817,252	557,045	514,299	...	1,071,344	—254,092
Other railways	520,162	350,131	556,380	...	916,511	—396,349
Total State railways ...	17,639,604	8,819,553	9,916,710	...	18,736,263	—1,096,659
Guaranteed Railways.						
Great Indian Peninsula ...	3,063,831	2,010,255	1,991,333	11,141	4,012,729	—948,898
Bombay, Baroda and Central India.	1,521,541	937,176	720,340	6,653	1,664,169	—142,628
Madras	1,099,808	550,887	885,559	10,289	1,446,735	—346,927
Total Guaranteed railways ...	5,685,180	3,498,318	3,597,232	28,083	7,123,633	—1,438,453
Subsidised railways ...	24,052	...	...	85,020	85,020	—60,968
Miscellaneous Railway Expenditure.	...	...	...	63,901	63,901	—63,901
GRAND TOTAL ...	23,348,836	12,317,871	13,513,942	177,004	26,008,817	—2,659,981

The traffic during the year was considerably lower than that of previous years in consequence of the plague in Bombay and the scarcity which prevailed over a very large portion of the country, but the charge for interest and annuities was smaller owing to the rate of exchange that obtained during the year being more favourable. In return for the charge of Rx. 2,659,981 the State receives all the indirect benefits arising from a railway system of 17,966 miles open to traffic.

4. The net receipts accruing to Government from all State lines, after deducting the payments made to working Companies in respect of surplus profits or share of net earnings, amounted to Rx. 8,820,051 (paragraph 12 of

Accountant General's note), which gives a return of 5·35 per cent. on the total capital outlay actually incurred by the State as entered in rupees in the Government Accounts. This capital outlay does not, however, include that portion of the purchase price of the East Indian, the Sind, Punjab and Delhi and the Eastern Bengal Railways, which is being redeemed by the payment, from current revenues, of terminable annuities. If, however, in the case of the Guaranteed railways that have been purchased by Government the amounts of capital expended by the several companies prior to their purchase by the State *plus* the capital outlay since incurred by the State, be taken in lieu of the figures now appearing in the Government Accounts, which, as explained above, do not include certain transactions, the return given by the net receipts (Rx. 8,820,051) is 4·53 per cent., as shown in paragraph 16 of the Accountant General's note. These percentages indicate a satisfactory return on the capital expended, and the fact that there was a net charge to the State of Rx. 1,096,659 in respect of the State railways, as shown in paragraph 3 above, is due partly to the loss by exchange on the payments in England of the annuities and interest on the sterling portion of the capital, and partly to the fact that the annuities that are charged against the net revenues cover the enhanced value at which the capital of the several companies was taken over by Government and include also sinking fund charges for the redemption of the capital.

5. In paragraph 17 of the note the Accountant General gives yet another way in which the return from State Railways may be stated. Remittances have to be made yearly from India to pay the interest in England on a sterling capital of £ 96,906,517. The equivalent of this sum in rupees, at the rate of exchange applicable for the year, added to the sum of Rx. 97,787,665, representing the Rupee capital on which interest is paid in India, gives the total capital as Rx. 258,733,262 and the net receipts of Rx. 9,010,582 give a return of 3·48 per cent. thereon.

In the case of the East Indian Railway the net return on the capital stated in this way is 5·86 per cent., and this is practically what the East Indian Railway deferred annuity holder, as partner with Government, receives.

6. The working of the three Guaranteed railways during the year is reviewed in paragraphs 57 to 60 of the note. Including charges for land and supervision, the result has been a loss to the State of Rx. 1,438,453. Each of these railways was worked at a loss during the year under review, the loss entailed on individual lines being as under :—

	Rx.
Great Indian Peninsula railway	948,898
Bombay, Baroda and Central India railway	142,628
Madras railway	346,927
TOTAL ...	1,438,453

On the other hand, however, although the result of working the Guaranteed railways has been a net loss to the State of Rx. 1,438,453, the companies received during the year from Government a total sum of Rx. 427,369 as their share of surplus profits, which are, under the terms of the contracts, declared half-yearly the sterling interest being converted for the purpose of this division at the fixed contract rate of 1*s.* 10*d.* against 1*s.* 2·45057491*d.* the rate adopted in the Government Accounts of the year under review. The unfavourable effects of this provision in the contracts with regard to each line are brought out in paragraph 58 of the Accountant General's note.

The Governments of Madras and Bombay (Railway), Bengal, the North-Western Provinces and Oudh, the Punjab and Burma.
The Chief Commissioners of the Central Provinces and Assam.
The Resident at Hyderabad.
The Agents to the Governor-General for Central India, Rajputana and Baluchistan.
The Accountant General, Public Works Department.
The Consulting Engineers to the Government of India for Railways, Calcutta, Lucknow and Assam.
The Managers, North-Western, Eastern Bengal, Oudh and Rohilkhand, and East Coast Railways.
The Engineers-in-Chief, Mari-Attock Railway, Indus Bridge, Rae Bareli-Benares Railway, Bezwada-Madras Railway, Godavari Bridge and Hardwar-Dehra Railway.

ORDER.—Ordered, that the foregoing with a copy of the note referred to, be forwarded to the Local Governments, Administrations and Officers noted on the margin, for information.

Ordered also, that a copy of the resolution and note be forwarded to the Department of Finance and Commerce, and that the papers be published in the *Gazette of India*.

Trupcott

Secretary to the Government of India.

Documents accompanying.

Note by the Accountant General, Public Works Department, No. 184-R., dated 11th April 1898.

will follow.

To.
The Secretary to the Govt. of Madras.
Public Works Departt.
Railway Branch.

with 500 C of Rec: only.

G. C. Press, Simla.—No. 610 P. W. D. A. G.—3-6-98.—930.