

Public Works (1899) Department.

RAILWAY BRANCH.

G.O., No. 845. - *By*

DATED 1st Aug 1899

[Despatch Abstract.]

*Synopsis of transactions of
Guaranteed Railways*

*Coming to the Agent, Guassas Railway,
for information, Resolution of the Govt.
of India containing a — for, and to the
end of, the year 1898.*

BACK PAPERS.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Public Works (1899) Department.

Railway
CURRENT No. 974.

From The Govt. of India

Order

No. 214 A-R

Dated 18th July 1899

Received 28th _____

Registered 28th do

Enclosures

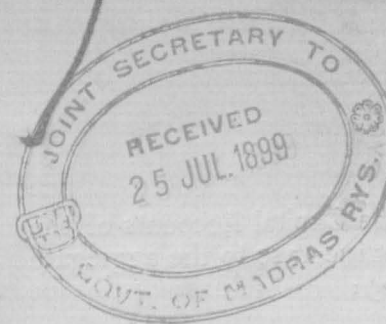
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SUBJECT.

Synopsis of transactions
of Guaranteed Railways

BACK PAPERS.

FURTHER PAPERS.



No. 214 A.—R.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.
Railway.

Simla, the 18th July 1899.

GUARANTEED RAILWAYS.

Synopsis of transactions for, and to the end of, the year 1898.

Read again—

Public Works Department Resolution No. 430 A.—R., dated 18th July 1898.

Read also the following—

Note by A. R. Becher, Esq., Accountant General, Public Works Department,
No. 310 R., dated 3rd July 1899.

I beg to lay before the Government of India the usual synopsis of transactions of the three Railway Companies still designated as Guaranteed Railways, for, and to end of, the year 1898.

2. The subscribed Capital on 31st December 1898 of these Railway Companies bears interest as shown below:

[illegible]

3. The following table shows the growth of the Capital Accounts of the Guaranteed Railways during the last five years, the net increase to the aggregate subscribed Capital during that period being £1,341,709:

TOTAL CAPITAL SUBSCRIBED.				Increase.	Decrease.	REMARKS.
Year.				Amount.		
				£	£	£
To end of 1894	...	...	...	45,913,396	300,000	...
" 1895	...	...	...	45,913,421	25	...
" 1896	...	...	...	45,827,345	...	86,076
" 1897	...	...	...	46,512,239	684,894	...
" 1898	...	...	...	46,955,105	442,866	...
					1,427,785	86,076
Net increase				1,341,709		

Capital outlay.

4. The aggregate outlay charged off to "Construction" stood at the end of each of the last five years as follows:—

				Increase.
				£
To end of 1894	...	...	...	44,605,625
" 1895	...	...	...	44,931,753
" 1896	...	...	...	45,261,618
" 1897	...	...	...	45,605,516
" 1898	...	...	...	45,953,062
Increase in 5 years				1,558,297

5. The expenditure charged to "Construction" during and to end of the year, gives the following as the cost per mile of open line:

Railway.	CONSTRUCTION EXPENDITURE PER OPEN MILE.		REMARKS.
	During 1898.	To end of 1898.	
	Rs.	Rs.	
Madras	474.52	1,42,468.81	
Bombay, Baroda and Central India	4,573.45	2,38,676.55	
Great Indian Peninsula	381.55	2,14,353.76	
Average outlay per mile open	1,128.76	1,95,002.66	

The cost expressed in rupees is, as regards payments in England, at the contract rates of exchange, which for many years have been higher than the actual rates, and consequently the cost is understated by the difference between the contract rate of exchange and the actual rate prevailing.

Capital locked up in stores.

6. The subjoined table shows the fluctuations in the value of stores in stock during the past five years:

Railway.	REDUCTION IN STOCK.					TOTAL.
	1894	1895	1896	1897	1898	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras	3,881	17,343	2,47,270	1,60,905	7,061	4,36,460
Do. Extensions	...	...	...	...	-52,066	-52,066
Bombay, Baroda and Central India	-3,35,434	1,63,687	-10,15,246	92,801	-5,95,013	-16,89,205
Great Indian Peninsula	-10,44,501	4,77,966	11,54,513	-1,05,172	-10,82,966	-6,00,160
Do. extensions	...	...	...	...	-70,496	-70,496
TOTAL	-13,76,054	6,58,996	3,86,537	1,48,534	-17,93,480	-19,75,467

7. The increase in 1898 in the amount of Capital locked up in stores on the Bombay, Baroda and Central India Railway is due to large receipts of Permanent-way material required for doubling portions of the line and of parts of Locomotive Engines which arrived too late in the year to be finally charged off. The increase on the Great Indian Peninsula Railway is owing chiefly to heavy consignments of Permanent-way material required in connection with the Extensions and of wheels and axles required to replace Cammel's axles which have been condemned. The locked up capital of the Madras and Great Indian Peninsula Railway extensions consists entirely of stores in transit.

8. On 31st December 1898, the value of the stores in stock on Guaranteed Railways compared with the limits provisionally assigned for Capital to be locked up in stores was as follows:—

Railway.	Limit assigned.	Stock in hand.	Excess over limit assigned.
	Rs.	Rs.	Rs.
	Lakhs.	Lakhs.	Lakhs.
Madras	22½	24½	1½
Do. Extensions	21½	42½	20½
Bombay, Baroda and Central India	50	51	1
Great Indian Peninsula	...	¾	¾
Do. Extensions	...	...	...
TOTAL	94	118½	24½

Revenue Account.

9. The gross earnings, working expenses and net earnings of the three Guaranteed Railways during the last five years have been as under:

Year.	Gross earnings.	Working expenses.	Net earnings.
	Rs.	Rs.	Rs.
1894	6,25,43,792	3,04,89,810	3,20,53,982
1895	6,25,51,668	3,02,25,175	3,23,26,493
1896	6,15,03,813	3,10,63,858	3,04,39,955
1897	5,41,59,009	3,18,28,764	2,23,30,245
1898	6,14,60,705	3,23,83,048	2,90,77,657

3. The following table shows the growth of the Capital Accounts of the Guaranteed Railways during the last five years, the net increase to the aggregate subscribed Capital during that period being £1,341,709:

TOTAL CAPITAL SUBSCRIBED.				Increase.	Decrease.	REMARKS.
Year.						
				£	£	£
To end of 1894	...	...	...	45,913,396	300,000	...
" 1895	...	...	...	45,913,421	25	...
" 1896	...	...	...	45,827,345	...	86,076
" 1897	...	...	...	46,512,239	684,894	...
" 1898	...	...	...	46,955,105	442,866	...
					1,427,785	86,076
Net increase				...	1,341,709	

Capital outlay.

4. The aggregate outlay charged off to "Construction" stood at the end of each of the last five years as follows:—

				Increase.	
				£	£
To end of 1894	...	...	...	44,605,625	210,860
" 1895	...	...	...	44,931,753	326,128
" 1896	...	...	...	45,261,618	329,865
" 1897	...	...	...	45,605,516	343,898
" 1898	...	...	...	45,953,062	347,546
Increase in 5 years				...	1,558,297

5. The expenditure charged to "Construction" during and to end of the year, gives the following as the cost per mile of open line:

Railway.	CONSTRUCTION EXPENDITURE PER OPEN MILE.		REMARKS.
	During 1898.	To end of 1898.	
	Rs.	Rs.	
Madras	474.52	1,42,468.81	
Bombay, Baroda and Central India	4,573.45	2,38,676.55	
Great Indian Peninsula	381.55	2,14,353.76	
Average outlay per mile open	1,128.76	1,95,002.66	

The cost expressed in rupees is, as regards payments in England, at the contract rates of exchange, which for many years have been higher than the actual rates, and consequently the cost is understated by the difference between the contract rate of exchange and the actual rate prevailing.

Capital locked up in stores.

6. The subjoined table shows the fluctuations in the value of stores in stock during the past five years:

Railway.	REDUCTION IN STOCK.					TOTAL.
	1894	1895	1896	1897	1898	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras	3,881	17,343	2,47,270	1,60,905	7,061	4,36,460
Do. Extensions	...	...	...	...	—52,066	—52,066
Bombay, Baroda and Central India	—3,35,434	1,63,687	—10,15,246	92,801	—5,95,013	—16,89,205
Great Indian Peninsula	—10,44,501	4,77,966	11,54,513	—1,05,172	—10,82,966	—6,00,160
Do. extensions	...	...	...	...	—70,496	—70,496
TOTAL	—13,76,054	6,58,996	3,86,537	1,48,534	—17,93,480	—19,75,467

7. The increase in 1898 in the amount of Capital locked up in stores on the Bombay, Baroda and Central India Railway is due to large receipts of Permanent-way material required for doubling portions of the line and of parts of Locomotive Engines which arrived too late in the year to be finally charged off. The increase on the Great Indian Peninsula Railway is owing chiefly to heavy consignments of Permanent-way material required in connection with the Extensions and of wheels and axles required to replace Cammel's axles which have been condemned. The locked up capital of the Madras and Great Indian Peninsula Railway extensions consists entirely of stores in transit.

8. On 31st December 1898, the value of the stores in stock on Guaranteed Railways compared with the limits provisionally assigned for Capital to be locked up in stores was as follows:—

Railway.	Limit assigned.	Stock in hand.	Excess over limit assigned.
	Rs.	Rs.	Rs.
	Lakhs.	Lakhs.	Lakhs.
Madras	22½	24	1½
Do. Extensions	...	½	½
Bombay, Baroda and Central India	21½	42½	20½
Great Indian Peninsula	50	51	1
Do. Extensions	...	½	½
TOTAL	94	118½	24½

Revenue Account.

9. The gross earnings, working expenses and net earnings of the three Guaranteed Railways during the last five years have been as under:

Year.	Gross earnings.	Working expenses.	Net earnings.
	Rs.	Rs.	Rs.
1894	6,25,43,792	3,04,89,810	3,20,53,982
1895	6,25,51,668	3,02,25,175	3,23,26,493
1896	6,15,03,813	3,10,63,858	3,04,39,955
1897	5,41,59,009	3,18,28,764	2,23,30,245
1898	6,14,60,705	3,23,83,048	2,90,77,657

10. For the year 1898 the net earnings amounted to ... Rs. 2,90,77,657

Deduct—

	Rs.
Interest on overdrawn capital ...	67,911
Moiety of surplus profits to shareholders ...	33,97,351
Contributions to provident funds ...	3,50,027
Amount payable by the Great Indian Peninsula Railway Company on account of rent of leased lines ...	4,45,500
Irrecoverable outstanding earnings, Great Indian Peninsula Railway written off ...	25,214
	<u>42,86,003</u>
Net receipts by Government ...	<u>2,47,91,654</u>

11. The results of the working of the Guaranteed Railways for the year 1898, based on the contract rates of exchange, is shown in the following table, as also the percentage of interest and net profits on the Capital received. The figures in antique represent gain :

Railways.	Net receipts after deducting from net earnings payments on account of moiety of Surplus profits and contribution to the Provident Fund and interest on overdrawn Capital, etc.	Guaranteed interest at contract rates.	Loss to State.			Per cent. of interest paid on total Capital received.	Per cent. of Net receipts on Capital received.
			Amount.	Per open mile.	Per cent. of guaranteed interest.		
	Rs.	Rs.	Rs.	Rs.			
Madras ...	53,18,763	58,51,863	5,33,100	635'23	9'11	4'75	4'32
Bombay, Baroda and Central India.	67,28,297	47,78,819	19,49,478	4,442'95	40'79	4'53	6'35
Great Indian Peninsula	1,27,44,594	1,30,06,919	2,62,325	203'67	2'02	4'57	4'48
TOTAL 1898 ...	2,47,91,654	2,36,37,601	11,54,053	449'75	4'88	4'60	4'83
1897 ...	2,07,20,199	2,35,29,628	28,09,429	1,094'87	11'94	4'63	4'08
1896 ...	2,53,93,080	2,35,84,714	18,08,366	704'74	7'66	4'66	5'02
1895 ...	2,66,97,405	2,36,00,026	30,97,379	1,207'59	13'12	4'71	5'33
1894 ...	2,54,43,482	2,35,27,392	19,16,090	747'03	8'14	4'70	5'08

12. The actual loss to the State during the last five years due to its connection with the Guaranteed Railways, converting the payments in England on

account of guaranteed interest at the average rates of exchange for the different years is shown in the following statements.

Year.	Net earnings— vide para. 11.	Guaranteed interest at contract rates.	Loss to State based on preceding column.	Guaranteed interest at the average rate of the year.	Loss to State based on preceding column.	Loss involved in fall in exchange, being differ- ence between columns 4 and 2.
	1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1894 ...	2,54,43,482	2,35,27,392	19,16,090	3,90,56,094	1,36,12,612	1,55,28,702
1895 ...	2,66,97,405	2,36,00,026	30,97,379	3,90,08,864	1,23,11,459	1,54,08,838
1896 ...	2,53,93,080	2,35,84,714	18,08,366	3,64,48,422	1,10,55,342	1,28,63,708
1897 ...	2,07,20,199	2,35,29,628	28,09,429	3,42,91,387	1,35,71,188	1,07,61,753
1898 ...	2,47,91,654	2,36,37,601	11,54,053	3,32,79,864	84,88,210	96,42,263

The details for each year are as follows :—

1894.

Railway.	Net earnings.	Guaranteed interest at contract rates.	Loss to State based on column 2.	Guaranteed interest at half-yearly average rates.	Loss to State based on column 4.	Loss by exchange, being difference between columns 4 and 2.
	1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras ...	49,47,863	58,14,950	8,67, 87	96,56,469	47,08,606	38,41,519
Bombay, Baroda and Central India.	72,93,164	45,57,450	27,35,714	75,66,974	2,73,810	30,09,524
Great Indian Peninsula ...	1,32,02,455	1,31,54,992	47,463	2,18,32,651	86,30,196	86,77,659
TOTAL ...	2,54,43,482	2,35,27,392	19,16,090	3,90,56,094	1,36,12,612	1,55,28,702

1895.

Railway.	Net earnings.	Guaranteed interest at contract rates.	Loss to State based on column 2.	Guaranteed interest at half-yearly average rates.	Loss to State based on column 4.	Loss by exchange, being difference between columns 4 and 2.
	1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras ...	58,07,613	58,14,951	7,338	96,14,738	38,07,125	37,99,787
Bombay, Baroda and Central India.	77,93,252	46,55,632	31,37,620	76,97,065	96,186	30,41,434
Great Indian Peninsula ...	1,30,96,540	1,31,29,443	32,993	2,16,97,060	86,00,520	85,67,617
TOTAL ...	2,66,97,405	2,36,00,026	30,97,379	3,90,08,864	1,23,11,459	1,54,08,838

1896.

Railway.	Net earnings.	Guaranteed interest at contract rates.	Loss to State based on column 2.	Guaranteed interest at half-yearly average rates.	Loss to State based on column 4.	Loss by exchange, being difference between columns 4 and 2.
	1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras ...	53,76,369	58,11,677	4,35,308	89,83,762	36,07,393	31,72,085
Bombay, Baroda and Central India.	67,67,726	46,89,598	20,73,128	72,48,606	4,80,886	25,59,008
Great Indian Peninsula ...	1,32,48,985	1,30,83,439	1,65,546	2,02,16,054	69,67,069	71,32,615
TOTAL ...	2,53,93,080	2,35,84,714	18,08,366	3,64,48,422	1,10,55,342	1,28,63,708

1897.

Railway.	Net earnings.	Guaranteed interest at contract rates.	Loss to State based on column 2.	Guaranteed interest at half-yearly average rates.	Loss to State based on column 4.	Loss by exchange, being difference between columns 4 and 2.
	1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras ...	58,66,234	58,02,622	63,612	84,56,401	25,90,167	26,53,779
Bombay, Baroda and Central India.	54,76,264	47,29,786	7,46,478	68,94,460	14,18,196	21,64,674
Great Indian Peninsula ...	93,77,701	1,29,97,220	36,19,519	1,89,40,526	95,62,825	59,43,306
TOTAL ...	2,07,20,199	2,35,29,628	28,09,429	3,42,91,387	1,35,71,188	1,07,61,759

1898.

Railway.	Net earnings.	Guaranteed interest at contract rates.	Loss to State based on column 2.	Guaranteed interest at half-yearly average rates.	Loss to State based on column 4.	Loss by exchange, being difference between columns 4 and 2.
	1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras ...	53,18,763	58,51,863	5,33,100	82,36,843	29,18,080	23,84,980
Bombay, Baroda and Central India.	67,28,297	47,78,819	19,49,478	67,22,640	5,657	19,43,821
Great Indian Peninsula ...	1,27,44,594	1,30,06,919	2,62,325	1,83,20,381	55,75,787	53,13,462
TOTAL ...	2,47,91,654	2,36,37,601	11,54,053	3,32,79,864	84,83,210	96,42,263

ORDER.—Ordered, that the note by the Accountant General, Public Works Department, and enclosure, be forwarded to the Governments of Madras and Bombay, Public Works Department, Railway Branch, and to the Department of Finance and Commerce, for information.

Chatterjee.

Depy. Secy. to the Govt. of India.

Document accompanying.

Synopsis.

To The Secretary to the Government of Madras
P. W. Dept.
Railway Branch

with 50 Rs. in a separate packet

B/-

No. 845 By dated 1/8/99.

Communicated to the Agent & Managers MR for information.

SR

The Agent & Managers MR
Examiners, G. P. Aut. Indus.
Comm. Sup. for R.R.

G. C. Press, Simla.—No. 202 P. W. D., A. D.—18-7-99.—304.

Despatched on 4/8/98

7 days signed by SR

28/7/98

1896.

Railway.	Net earnings.	Guaranteed interest at contract rates.	Loss to State based on column 2.	Guaranteed interest at half-yearly average rates.	Loss to State based on column 4.	Loss by exchange, being difference between columns 4 and 2.
	1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras ...	53,76,369	58,11,677	4,35,308	89,83,762	36,07,393	31,72,085
Bombay, Baroda and Central India.	67,67,726	46,89,598	20,73,128	72,48,606	4,80,886	25,59,008
Great Indian Peninsula ...	1,32,48,985	1,30,83,439	1,65,546	2,02,16,054	69,67,069	71,32,615
TOTAL ...	2,53,93,080	2,35,84,714	18,08,366	3,64,48,422	1,10,55,342	1,28,63,708

1897.

Railway.	Net earnings.	Guaranteed interest at contract rates.	Loss to State based on column 2.	Guaranteed interest at half-yearly average rates.	Loss to State based on column 4.	Loss by exchange, being difference between columns 4 and 2.
	1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras ...	58,66,234	58,02,622	63,612	84,56,401	25,90,167	26,53,779
Bombay, Baroda and Central India.	54,76,264	47,29,786	7,46,478	68,94,460	14,18,196	21,64,674
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Railway.	Net earnings.	Guaranteed interest at contract rates.	Loss to State based on column 2.	Guaranteed interest at half-yearly average rates.	Loss to State based on column 4.	Loss by exchange, being difference between columns 4 and 2.
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Bombay, Baroda and Central India.	67,28,297	47,78,819	19,49,478	67,22,640	5,657	19,43,821
Great Indian Peninsula ...	1,27,44,594	1,30,06,919	2,62,325	1,83,20,381	55,75,787	53,13,462
TOTAL ...	2,47,91,654	2,36,37,601	11,54,053	3,32,79,864	84,83,210	96,42,263

ORDER.—Ordered, that the note by the Accountant General, Public Works Department, and enclosure, be forwarded to the Governments of Madras and Bombay, Public Works Department, Railway Branch, and to the Department of Finance and Commerce, for information.

Chamberlain

Depy. Secy. to the Govt. of India.

Document accompanying.

Synopsis.

To The Secretary to the Government of Madras
P. W. Dept.
Railway Branch

with 50 copies of the same in a separate packet

B/-

No. 845 Ry dated 1/8/99

Communicated to the Agents & Managers MR for information.

SR
31-7-99

The Agents & Managers MR
Examined & found correct
Com. Engr. for Ry ✓

G. C. Press, Simla.—No. 202 P. W. D., A. D.—18-7-99.—304.

Despatched on 4/8/98

Transmitted by SR

28/7/99
28/7/99

R, dated 3rd Jul

OPERATIONS TO EN

	30	31	32	31
	GUARANTEED INTEREST PAID FOR 1878.			GUAR CO
Open for traffic.	In England.	In India.	Total.	In England.
	Rs.	Rs.	Rs.	R
(a) 83	58,13,401	...	58,13,401	10,95,2
...	38,462	...	38,462	4
(b) 43	47,77,680	1,139	47,78,819	15,56,0
(c) 12	1,29,31,592	13,039	1,29,44,631	14,13,8
...	42,288	...	42,288	4
2,556	2,36,23,423	14,178	2,36,37,601	80,85,6
...	...	...	...	...
...	532,895	...	532,895	19,26
...	2,500	...	2,500	...
...	436,983	104	437,087	14,21
...	1,187,229	1,195	1,188,424	40,66
...	2,795	...	2,795	...
...	2,163,402	1,299	2,163,701	74,11

ed lines payable by the Company.
nding earnings written off.