



APPROPRIATION ACCOUNTS
OF
RAILWAYS IN INDIA
FOR 1960-61

PART I—REVIEW

Issued by
THE RAILWAY BOARD.

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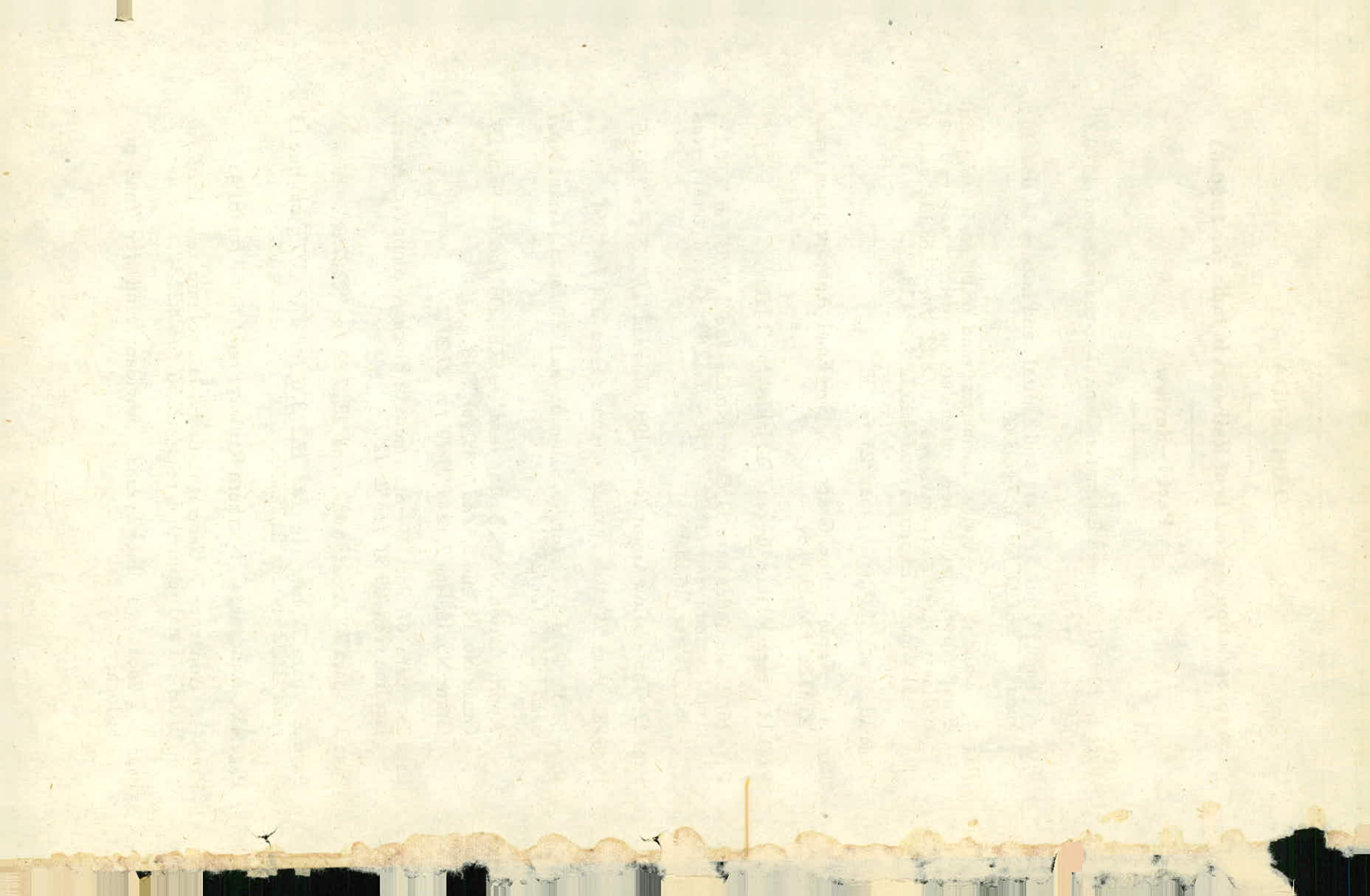
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CORRIGENDA

Appropriation Accounts of Railways in India for 1960-61

Part I—Review

- Page 1, 1960-61, Revised Estimates, Capital-at-charge; *read* '15,59,37' for '15,59,27'.
- Page 4, Para 13, line 3; *delete* 'and capital'; and in para 14, line 10; *read* '3,57,66,000' for '3,57 66,3000'.
- Page 7, grant No. 7—Budget Estimates; *read* '68,08' for '68,07'; and Final Appropriation less surrenders or withdrawals—Total ordinary working expenses *read* '3,68,12' for '3,68,13'; and in Total Working Expenses *read* '4,13,12' for '4,13,13'.
- Page 10, Para 31, line 18; *read* '26' for '28'.
- Page 12, Table below Grant No. 8—Final Appropriation; *read* '25,33,89' for '35,33,89'.
- Page 14, Para 36, line 10; *read* '12 lakhs' for '1 lakh'.
- Page 16, Table under para 39, Grant No. 2; *read* '1,90,83' for '1,90,13', Total voted; *read* '16,12,73' for '16,12,03'; Grand total; *read* '16,15,75' for '16,15,05'.
- Page 17, Table below Grant No. 2, 1960-61; *read* '1,93,85' for '1,93,05'.
- Page 28, Para 52 table against 'wagons'; *read* '354' for '364'.
- Page 33-35, Para 62, Grant No. 6, line 5; *read* '85' for '5'; Grant No. 7 *read* '25%' for '25%'.
- Appropriation No. 8, Saving *read* '(—) 7,87,298' for '(—) 7,87,29'.
- Grant No. 14, line 5, *read* '8.48' for '8,48'.
- Grant No. 16, line 7, *read* '27.70' for '27.20'.
- Page 36, para 67 Part II—Statement of Block Account etc. Assets, last line *read* '85.30' for '85.72'.
- Page 38, para 70, Assets total; *read* '22,27.89' for "22,27.68'.
- Page 39, para 72, line 11; *read* '17,29,376' for '17,29,377'; and line 13 *read* '22,32,649' for '22,32,650'.
- Page 43, Annexure C, Northern Railway; *read* '81.84' for '81.45'.
- Page 44, Annexure D, Central Railway, last column, *read* '16,67' for '16,63'; 'Total', column 4, *read* '4,22,36' for '4,22,34'.
- Page 46, Footnotes, line 2; *read* 'provident fund' for 'fund provisionary'.



REVIEW OF THE APPROPRIATION ACCOUNTS OF RAILWAYS
IN INDIA FOR 1960-61.

INTRODUCTORY.

The Appropriation Accounts of the various grants and charged appropriations sanctioned for the year 1960-61 are contained in the compilation 'Appropriation Accounts of Railways in India for 1960-61—Pt. II-Detailed Appropriation Accounts.' This compilation gives a general review of the appropriation audit as also a general picture of the financial results for the year under review. In accordance with the usual practice, the results of working during the year under review have been compared with those of the previous two years.

2. The accounts of the pre-partition period remain not closed finally yet due to non-receipt of final figures of undivided Bengal Assam and North Western Railways from the Pakistan authorities, with the results that the figures of assets and liabilities as shown in the balance sheet are still not final. The capital-at-charge and the Fund balances etc., also are, therefore, still provisional.

3. In accordance with the decision mentioned in para 2 of the Appropriation Accounts of Railways in India for 1955-56 Pt. I-Review, the balances under the Debt and Deposit heads and the capital-at-charge as on 15th August, 1947 fixed provisionally on ad hoc basis, have been further revised where found necessary during the year under review.

SECTION I.

A.—FINANCIAL RESULTS.

4. The figures in this section, unless specified otherwise, are net, *i.e.*, inclusive of the element of 'credits or recoveries' excluded from the scope of 'Demands for Grants' (Gross).

5. The principal financial figures for the year 1960-61 under 'Budget Estimates', 'Revised Estimates' and 'Actuals' are given below, along with the corresponding actuals for 1959-60 and 1958-59.

	1960-61.			(In lakhs).	
	Budget Estimates.	Revised Estimates.	Actuals.	1959-60.	1958-59.
Traffic Receipts (less refunds)	4,64,50	4,58,00	4,56,80	4,22,34	3,90,21
Working Expenses (including Depreciation and payments to worked lines)	3,71,98	3,71,40	3,58,24	3,34,63	3,21,44
Net Traffic Receipts	92,52	86,60	98,56	87,71	68,77
Miscellaneous Receipts	13	1,88	3,63	1,26	3,69
Miscellaneous Expenditure (including rebate paid to worked lines and Open Line works (revenue)	16,95	17,79	14,32	14,42	13,14
Net Miscellaneous Receipts	-16,82	-15,91	-10,69	-13,16	-9,45
Net Revenue	75,70	70,69	87,87	74,55	59,32
Dividend to General Revenues	57,27	56,66	55,86	54,43	50,39
Surplus	18,43	14,03	32,01	20,12	8,93
Percentage of actual working expenses to gross earnings	80.21%	81.09%	78.75%	79.54%	82.72%
Capital-at-charge	15,63,29	15,59,27	15,20,87	14,32,28	13,56,59
Percentage of Net Revenue (<i>i.e.</i> , before payment of Dividend to General Revenues) to Capital	4.8%	4.5%	5.8%	5.2%	4.4%

On the whole, the financial position of Indian Government Railways which had registered an improvement in 1959-60 when the country's economy picked up again that year after the recession in 1958-59, and to a lesser extent in 1957-58, improved still further in 1960-61.

6. The gross traffic receipts during the year 1960-61 turned out to be 7.70 crores less than the budget estimates of 4,64.50 crores. It will be observed from the details given below that the decrease was under 'goods earnings' (18.86 crores), due mainly to partial strike of Railway employees in July, 1960 and unprecedented floods all over the country and consequential fall in agricultural production; this was partly offset by improvement chiefly in 'passenger earnings' (6.09 crores), 'other coaching earnings' (2.21 crores), 'sundry other earnings' (2.63 crores) and 'Suspense' (23 lakhs.)

DETAILS OF TRAFFIC RECEIPTS.

	(In lakhs).				
	1960-61.			1959-60.	1958-59.
	Budget Estimates.	Revised Estimates.	Actuals.	Actuals.	Actuals.
Passenger earnings	1,25,50	1,30,97	1,31,59	1,25,61	1,16,74
Other Coaching earnings	25,00	27,11	27,21	25,41	23,59
Goods earnings	3,05,00	2,89,59	2,86,14	2,60,50	2,40,82
Sundry other earnings	10,00	11,33	12,63	10,85	9,62
Suspense	-1,00	-1,00	-77	-3	-56
Total	4,64,50	4,58,00	4,5,80	4,22,34	3,90,21

7. The working expenses, including appropriation to depreciation reserve fund and payments to worked lines, amounted to Rs. 3,58.24 crores which involved a saving from the budget of Rs. 13.74 crores. The savings occurred under all the revenue working expenses grants except grant 7 which recorded an increase of Rs. 3.15 crores, resulting from post-budget increases in the sales tax and excise duty, increase in the rate of labour welfare cess and receipt of a greater proportion than usual of inferior grade coal resulting in its larger consumption.

The savings occurred chiefly under grant 5 (Rs. 6.57 crores), grant 9 (Rs. 4.27 crores), grant 6 (Rs. 2.77 crores), grant 4 (Rs. 1.50 crores), grant 10 (Rs. 1.12 crores) and grant 8, (Rs. 0.66 crores). The saving under grant 5 was to some extent due to economy in the usage of materials but resulted chiefly from temporary postponement of periodical overhauls in workshops to wagons, with a view to counteract the setback in the production of wagons resulting from earlier difficulties in the import of matching steel, etc. The saving under grant 9 resulted mainly from the post-budget decision to make cash payments to staff for the period from 1st July, 1959 to 31st October, 1959, instead of the amount being credited to the provident fund accounts of the employees, as previously contemplated. The savings under other grants resulted largely from various measures of economy relating both to staff and to utilisation of materials and additional payments on account of refixation of pay of staff in 'authorised scales', based on Pay Commission's recommendations, not coming upto original anticipations.

The appropriation to depreciation reserve fund during the year as in the previous year amounted to Rs. 45 crores and necessary provision therefor had been duly made in the original estimates.

8. The figures of miscellaneous receipts are given below :—

	(In lakhs).				
	1960-61.			1959-60.	1958-59.
	Budget Estimates.	Revised Estimates.	Actuals.	Actuals.	Actuals.
Share of surplus profits from branch lines etc.	2	3	3	1	2
Other miscellaneous receipts	11	1,85	3,60	1,25	3,67
Total	13	1,88	3,63	1,26	3,69

The actual miscellaneous receipts exceeded the budget by Rs. 3·50 crores owing chiefly to the accretion to Revenues during the year of the government contribution to the provident fund accounts of staff opting for pension scheme consequent on the post-budget decision to extend further opportunities to staff to elect to be governed by either the contributory provident fund or the pension scheme.

9. At the time of budget a surplus of Rs. 18·43 crores was anticipated and, as in previous year, it was proposed to be taken wholly as credit to the Development Fund. The actual surplus at the close of the year amounted to Rs. 32·01 crores and this amount was appropriated wholly to the Development Fund.

The increase of Rs. 13·58 crores in the amount of surplus had resulted chiefly from shortfall in working expenses (13·74 crores) (cf. para 7 above); the other factors contributing to this increase were the improvement in the 'miscellaneous railway receipts' on account of transfer under this head of government contribution to the provident fund accounts of staff opting for pension scheme (Rs. 3·50 crores) (cf. para 8), decrease under 'miscellaneous expenditure' owing mainly to savings affected under open line revenue works as a result of economy measures, rephasing of works, etc. (Rs. 2·63 crores) and less dividend paid to General revenues (Rs. 1·41 crores); partly offset by the actual gross traffic receipts not coming upto the budget (Rs. 7·70 crores).

10. The operating ratio *i.e.* the percentage of actual working expenses to gross earnings for the year 1960-61 was 78·75 against 79·54 for the previous year. The improvement in this percentage which resulted chiefly from improvement in the gross earnings during the year under review was significant in view of the progressive increases in prices and staff bills from year to year as also the fact that the working expenses for the year included payments of arrears under the 'authorised' scales for the previous year also, *viz.* from 1-7-1959 onwards.

A statement showing similar percentages of working expenses to earnings of individual railways is given as Annexure 'C'.

11. The capital-at-charge at the end of the year under report was Rs. 15,21 crores as compared to Rs. 15,63 crores anticipated at the time of budget. The shortfall was due chiefly to procurement of rolling stock and progress of structural works on additional account not coming upto budgetary anticipations.

B—RESERVE FUNDS.

Railway Revenue Reserve Fund.

12. This fund opened with a balance of Rs. 51,60,49,151. During the year, the accretion to the fund amounted to Rs. 1,84,01,234 *viz.* Rs. 1,82,63,749 on account of interest and Rs. 1,37,485 on account of interest and dividend etc. on investments. There was no withdrawal during the year and at the end of the year the balance in the fund stood at Rs. 53,44,50,386 of which an amount of Rs. 11,48,500 was invested in shares of Branch Lines and Rs. 32,99,042 in loans to Branch Line Companies.

In view of the substantially improved position in 1960-61, it has not been necessary to draw on the Revenue Reserve Fund as on 1st April, 1961, as was earlier apprehended, in order to liquidate the liability of the Railway Development Fund to the General Revenues so as to commence the third Plan with a clean slate.

A statement showing the position of this fund year by year since 1950-51 appears at page 63 of the Appropriation Accounts of Railways in India for 1960-61-Part II.

Depreciation Reserve Fund.

13. Consequent upon further revision, without financial adjustment of the *ad hoc* balance as on 15th August, 1947 and also transfer of certain expenditure to Development Fund and Capital on account of expenditure incurred on quarters for Class III and IV staff, the balance at the credit of the fund at the beginning of the year was Rs. 37,19,12,143. The contribution to the Fund during the year amounted to Rs. 45 crores *vide* Paras 7 and 35, besides the contribution of Rs. 58,91,562 from the Chittaranjan Locomotive Works, Rs. 20,17,090 from the Integral Coach Factory and Rs. 85,15,822 on account of interest on the balances credited to the fund. The withdrawal from the fund during the year was Rs. 64,03,77,582. The closing balance on 31st March, 1961 stood at Rs. 19,79,59,035.

A statement showing the position of this fund year by year since 1950-51 appears in page 65 of the Appropriation Accounts of Railways in India for 1960-61—Part II.

Development Fund.

14. The fund opened with a balance of Rs. 7,36,43,371 which differed from the closing balance of 1959-60 by Rs. 1,54,77,146 on account of expenditure of Rs. 4,87,60,782 incurred on quarters for class III & IV staff transferred without financial adjustment from Depreciation Reserve Fund and Capital and also on account of expenditure of Rs. 86,625 in Howrah Car shed extension of store and shed for repairs etc. on Eastern Railway and Rs. 3,31,97,009 on account of cost of Utratia—Sultanpur—Zafarabad Branch Line and Pathankot—Madhopur construction on Northern Railway transferred without financial adjustments to Capital and Rs. 2 due to rounding off. A sum of Rs. 32,01,42,160 being the surplus for the year under review was appropriated to the fund (cf: para 9 above). Also a loan amounting to Rs. 3,57,66,3000 was obtained from the General Revenues during the year. The payments from this fund amounted to Rs. 24,30,36,562 which included an amount of Rs. 98,57,305 on account of interest on the loan obtained from the General Revenues. The interest on the balance of the fund amounted to Rs. 48,08,091. The closing balance on 31st March, 1961 thus stood at Rs. 19,13,23,060, against which the aggregate liability of the fund to General Revenues on 31st March, 1961 was Rs. 29,39,98,000. The difference of Rs. 10,26,74,940 representing the net liability will be more than wiped out in 1961-62 through a write-back to the extent of Rs. 20.83 crores representing the cost of unremunerative new lines under construction on 1st April, 1955 hitherto charged to this fund, to Capital.

A statement showing the position of this fund year by year since 1950-51 appears in page 66 of the Appropriation Accounts of Railways in India for 1960-61—Part II.

SECTION II.

CHANGES IN FORM AND CLASSIFICATION OF ACCOUNTS.

15. It was indicated in para 10 of Appropriation Accounts of Part I Review for 1959-60 that the monetary limit of listing individual items of unsanctioned expenditure in Annexure 'A' was raised to Rs. 10 lakhs and that items of Rs. one lakh each or more which were three years old or more were also to be listed individually. It was decided during the year under review that items of unsanctioned expenditure need not be listed in the printed detailed Appropriation Accounts at all, and consequently Annexure A-I comprising list of individual items of unsanctioned expenditure was discontinued from the year under report. The information in the existing Annexure A-II was to continue to be shown. The railways were, however, asked to continue to send their Annexure as hitherto.

16. The statement of important open line works and new constructions comprising Annexure 'D' of detailed Appropriation Accounts was also discontinued in its present form and an alternate statement styled 'Review of Expenditure on Important Open Line Works & New Constructions' was introduced in lieu thereof. The scope of this statement was decided as under:—

Part I.—Works costing Rs. 20 lakhs and over which were under taken without budget provision.

This part of the annexure was to include those items of works which were undertaken during the year without allotment therefor in the original or in the final grant. Items involving minor adjustments upto Rs. 10 thousand were, however, not to be included.

Part II.—Works costing Rs. 50 lakhs and over for which budget provision existed but which were not undertaken during the course of the year.

This part was to include works for which provision was made either in the original or in the final grant but the works were not undertaken during the year. This was also to include works in progress.

Part III.—As in part-B of the Annexure 'D' hitherto in force, this part of the new statement was also to show variations between the original estimates and actual expenditure in respect of works costing not less than Rs. 50 lakhs each completed during the course of the year.

17. The monetary limit of Rs. 2,000 for listing individually the items of losses under the Appropriation Accounts of the various grants was raised to Rs. 10,000 from the year under review. It was also decided that in the printed detailed Appropriation Accounts the items of losses under the various grants should be mentioned at one place and not at the end of the Appropriation Accounts of the individual grants concerned.

18. Similarly, the monetary limit of Rs. 2,000 for listing individually the items of remissions and abandonment of claims to revenue in Annexure 'C' to the detailed Appropriation Accounts was raised to Rs. 10,000. It was also decided that explanatory notes should be given in this Annexure in respect of items of remissions of wharfage and demurrage exceeding Rs. 50,000 each.

19. It was decided during the course of the year that when stores are purchased for specific works and can be identified *ab initio* as such, the expenditure should be debited direct to the works concerned and not passed through the head 'Stores Suspense'. It was further decided that when stores are issued to works and services for which funds are provided within the same grant as the 'Stores Suspense', the credit should be taken in reduction of expenditure under 'Stores Suspense', thus taking the vote of Parliament for that grant for the net debit only.

20. It was decided as a result of a review that in accordance with the provisions of the Revised Convention, 1954, operating from 1st April, 1955, the expenditure on quarters for Class III and Class IV staff forming part of schemes which had not been debited to the Development Fund during the period from 1-4-1955 to 31-3-1960 but had been allocated to the same head of expenditure as the schemes themselves, be transferred without financial adjustment from Capital and Depreciation Reserve Fund to Development Fund. The expenditure already incurred under Open Line Works Revenue during the aforesaid period was, however, written back to Development Fund with financial adjustment.

21. Balances under Depreciation Reserve Fund, Development Fund and Revenue Reserve Fund were to be shown in the detailed Appropriation Accounts for the last ten years preceding the year under report instead of giving the year to year position from the very inception.

22. The aforesaid changes were introduced with the concurrence of Audit.

23. Minor changes are shown in Annexure 'A'.

SECTION III.

DETAILED REVIEW OF EXPENDITURE FOR 1960-61.

24. As in the past, the comparison in this section by the groups indicated below is of the actual expenditure (gross) of the year under review, with the grants or appropriations under the various heads as voted by the Parliament or sanctioned by President initially whereas paras 61 and 62 of Section IV give a comparison of the actual gross expenditure of the year with final grant/appropriation (i.e., original grant/ appropriation and supplementary grant/ appropriation, if any); it follows that where there was no supplementary grant/ appropriation, the original grant/appropriation is to be adopted for the purpose of Section IV.

A.—Working Expenses :—

- Grant No. 4—Administration.
- Grant No. 5—Repairs and Maintenance.
- Grant No. 6—Operating Staff.
- Grant No. 7—Operation (Fuel).
- Grant No. 8—Operation other than staff and fuel.
- Grant No. 9—Miscellaneous Expenses.
- Grant No. 10—Labour Welfare.
- Grant No. 11—Appropriation to Depreciation Reserve Fund.

B.—Payments to Worked Lines and others :—

- Grant No. 3—Payments to Worked Lines and others.

C.—Miscellaneous Expenditure :—

- Grant No. 1—Railway Board.
- Grant No. 2—Miscellaneous Expenditure.
- Grant No. 13—Open Line Works-Revenue-Labour Welfare.
- Grant No. 14—Open Line Works-Revenue-Other than Labour Welfare.

D.—Works Expenditure outside the Revenue Accounts :—

- Grant No. 15—Construction of New Lines.
- Grant No. 16—Open Line Works-Additions.
- Grant No. 17—Open Line Works-Replacements.
- Grant No. 18—Open Line Works-Development Fund.
- Grant No. 19—Repayment of Loans from General Revenues and Interest thereon—Development Fund.

E.—Dividend payable to General Revenues :—

- Grant No. 12—Dividend payable to General Revenues.

F.—Adjustments showing final results of the year. :—

- Grant No. 20—Appropriation to Development Fund.
- Grant No. 21—Appropriation to Revenue Reserve Fund.
- Grant No. 22—Withdrawal from Revenue Reserve Fund.

25. The final results have been compared—as in the past broadly with budget anticipations (*vide* para 26 et seq.) giving explanations for the important variations. A part of the expenditure is 'charged', and this has been suitably indicated under Appropriations No. 2-Miscellaneous Expenditure, No. 6-Operating Staff, No. 7-Operation (Fuel), No. 8-Operation other than Staff and Fuel, No. 9-Miscellaneous Expenses, No. 15-Construction of New Lines and No. 18-Open Line works-Development Fund. As in the previous years, the 'voted' and 'charged' expenditure is considered as a whole, except where an excess/saving under the one or the other makes a separate explanation necessary.

A.—WORKING EXPENSES.

This group includes grants 4 to 11.

26. The following table compares the expenditure with the budget estimates, the final appropriation and the final appropriation less surrenders or withdrawals.

				(In lakhs).			
				Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actuals.
Grant No. 4.—Administration	..	Voted	..	39,10	39,10	38,28	37,64
Grant No. 5.—Repairs and Maintenance	..	Voted	..	1,23,37	1,23,37	1,20,10	1,17,05
Grant No. 6.—Operating Staff	..	Voted	..	74,75	74,75	73,90	71,89
		Charged	..	—	A	A	B
		Total	..	74,75	74,75	73,90	71,89
Grant No. 7.—Operation (Fuel)	..	Voted	..	68,07	72,34	72,06	72,16
		Charged	..	..	C	C	D
		Total	..	68,07	72,34	72,06	72,16
Grant No. 8.—Operation other than staff and Fuel.		Voted	..	23,71	24,50	24,47	23,99
		Charged	..	64	83	76	76
		Total	..	24,34*	25,34*	25,24*	24,74*
Grant No. 9.—Miscellaneous Expenses	..	Voted	..	32,14	32,14	29,05	28,27
		Charged	..	6	6	5	4
		Total	..	32,19*	32,19*	29,10	28,31
Grant No. 10.—Labour Welfare	..	Voted	..	11,05	11,05	10,26	9,90
Total Ordinary Working Expenses	..	Voted	..	3,72,19	3,77,25	3,68,13	3,60,90
		Charged	..	70	90*	82*	79*
		Total	..	3,72,88*	3,78,14*	3,68,94*	3,61,69
Grant No. 11.—Appropriation to Depreciation Reserve Fund	..	..	..	45,00	45,00	45,00	45,00
Total Working Expenses	..	Voted	..	4,17,19	4,22,25	4,13,13	4,05,90
		Charged	..	70	90*	82*	79*
		Total	..	4,17,88*	4,23,14*	4,13,94*	4,06,69

A—Rs. 6 thousand

B—Rs. 5,318.

C—Rs. 1 thousand.

D—Rs. 713.

* Difference in total is due to rounding off.

27. The statement below shows the variations between estimates and actuals of the ordinary working expenses as a whole :—

		(In thousands).				Percentage variation from	
		Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	.. .. .	3,11,12,86	3,20,94,04	3,19,32,76	3,18,14,82	2.3	— .4
1959-60	.. .. .	3,30,60,13	3,40,14,93	3,36,63,10	3,34,34,75	1.1	— .7
1960-61	.. .. .	3,72,88,27	3,78,14,24	3,68,93,55	3,61,69,11	—3.0	—2.0

The larger variation from the Budget (saving) in 1960-61 is a reflection of the sustained measures of economy (in staff, usage of stores, etc.) the precise effect of which could not be assessed with any reasonable degree of exactitude until after the year.

28. The following table gives the total ordinary working expenses railwaywise :—

Railways.		(In thousands).		
		Budget Estimates.	Final Appropriation.	Actual Expenditure.
Central	.. .. .	63,56,17	64,01,04	62,46,40
Eastern	.. .. .	55,36,72	54,75,57	53,74,95
Northern	.. .. .	55,65,80	55,47,06	54,10,99
North Eastern	.. .. .	25,14,81	23,79,69	23,36,85
Northeast Frontier	.. .. .	20,06,86	19,06,42	18,98,79
Southern	.. .. .	54,61,23	54,61,89	53,85,91
South Eastern	.. .. .	42,79,52	42,96,83	42,10,02
Western	.. .. .	55,67,16	54,25,05	53,05,20
Miscellaneous	.. .. .	..	..	..
Total ..		3,72,88,27	3,68,93,55	3,61,69,11
Surrenders or withdrawals within grant or appropriation ..		..	9,20,6)	..
Total ..		3,72,88,27	3,78,14,24	3,61,69,11

It would be observed from the table in para 26 that the actual ordinary working expenses of Rs. 3,61.69 crores saved on the original budget by about Rs. 11.19 crores. The saving was under grant 4 (Rs. 1.46 crores), grant 5 (Rs. 6.31 crores), grant 6 (Rs. 2.86 crores), grant 9 (Rs. 3.88 crores) and grant 10 (Rs. 1.16 crores) and was partly off set by increase under grant 7 (Rs. 4.08 crores) and grant 8 (Rs. 0.40 crores).

Supplementary grants amounting to about Rs. 5.06 crores were obtained from Parliament and supplementary appropriations amounting to Rs. 20 lakhs were sanctioned, but these turned out to be somewhat in excess of the actual requirements.

The variations under each of the grants in this group are as explained in the succeeding paragraphs.

29. A feature common to the various staff grants for the year under review was the fluctuation between the budgetary anticipations and the expenditure actually incurred in connection with the implementation of the recommendations of the Pay Commission. The decision of the Government accepting the major recommendations of the Pay Commission was conveyed in para 23 of the Railway Minister's speech at the time of introducing the Railway Budget for 1960-61, and a provision of about Rs. 20 crores towards the cost of implementation of these recommendations from 1st July '59 in the year 1960-61 was made in the Budget estimates of 1960-61. The provision *ibid*, of Rs. 20 crores had necessarily to be made on the best approximate basis available at that time (in accordance with the formula prescribed by the Ministry of Finance). During the course of the year, the initial decision to credit the *ex-gratia* payment due to the staff opting for the 'authorised' scales of pay for the period 1st July 1959 to 31st October 1959 to their Provident Fund accounts was revised and instead it was decided to make cash payments to the staff for this period also, entailing consequential reduction in provision under grant 9. These payments were booked under the relevant grants.

Although special machinery was evolved to expedite the implementation of the pay commission's recommendations, in view of the colossal amount of clerical work involved, as well as the set-back in work due to the strike of the Central Government servants in July 1960, it was not possible to complete, in all its phases, the actual work of fixation of pay in the authorised scales and the payment of arrears due, to enable any precise reassessment being made even at the final modification stage. The magnitude of saving on this account under the various grants is shown in the relevant paragraphs.

Grant No. 4-Administration.

		(In thousands).				Percentage variation from.	
		Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	.. ..	32,73,57	34,55,45	34,29,08	34,35,90	5.0	.2
1959-60	.. ..	35,47,21	35,75,23	35,20,42	34,95,05	-1.5	-7
1960-61	.. ..	39,10,02	39,10,02	38,27,62	37,63,92	-3.7	-1.7

30. This grant deals with expenditure on the cost of the administrative organisation, which includes office staff of the General Management, Civil Engineering, Mechanical, Traffic, Electrical, Signal and Telecommunication, Accounts, Cash and Pay Departments, as well as staff of the Stores Department and of the Railway Security Organisation, the cost of Police reimbursed to State Governments, and the administrative portion of the cost of the Medical Department.

The actual expenditure was about 1.46 lakhs less than the budget of about 39.10 lakhs. The saving was foreseen to the extent of 82 lakhs and shown as such in the final estimates of this grant.

The aforesaid saving of 1,46 lakhs was mainly due to non-filling up of vacancies and reduced pace of recruitment etc. as anticipated and also as a measure of economy (97 lakhs), adjustment of certain expenditure under other grants decided upon during the year (35 lakhs), payments arising from the implementation of the recommendations of the Pay Commission being less than the budget anticipations (13 lakhs) (cf. Para 29 above) and aggregate of minor savings arising *inter alia* from fluctuations in contingent office expenditure (17 lakhs). Against these savings there was an increase on account of additional police charges including throwforward bill for 'order police' received from the States (16 lakhs.)

The expenditure under this grant includes an amount of about Rs. 21 thousand on account of secret service expenditure. The funds in this respect were placed at the disposal of the appropriate authorities from whom necessary certificates have been obtained.

Grant No. 5.—Repairs & Maintenance.

	(In thousands).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	1,04,29,56	1,06,92,09	1,06,92,09	1,06,35,60	2.0	—5
1959-60	1,09,89,34	1,12,39,47	1,11,22,61	1,10,21,76	3	—9
1960-61	1,23,36,67	1,23,36,67	1,20,10,02	1,17,05,31	—5.1	—2.5

31. This grant deals with expenditure on repairs and maintenance of railway assets including track, buildings, rolling stock, ferries, electrical and signal equipment and installations, machinery, etc.

The actual expenditure was about 6,31 lakhs less than the budget of about 1,23,37 lakhs. The saving was foreseen to the extent of 3,27 lakhs and shown as such in the final estimates of this grant; another saving of 35 lakhs was omitted to be shown as surrender.

The above saving was due chiefly to reduction in expenditure on repairs and maintenance of rolling stock, than anticipated and also owing to temporary postponement of periodical overhauls of wagons in workshops, only essential repairs being undertaken with a view to increase the effective availability of wagons to meet the needs of traffic, and increased utilisation of reclaimed and reconditioned materials etc. (3,42 lakhs), curtailment in expenditure on repairs under 'way and works' (1,63 lakhs) and 'electrical services' (47 lakhs) partly as a result of various economy measures and partly due to shortfall in supply of essential materials etc., quantum of payments arising out of implementation of authorized scales of pay being less than budget anticipations (25 lakhs) (cf. para 29 above), unforeseeable fluctuations in adjustment of debits on account of undercharges and overcharges on-cost and manufacture and repairs (35 lakhs) and credits through stock adjustment account (16 lakhs) and aggregate of minor savings (28 lakhs).

The above savings were partly offset by increase in expenditure on 'signal and telecommunication services' owing mainly to additional payment of rental charges to the Posts and Telegraphs department at revised rates (23 lakhs).

Grant No. 6.—Operating Staff.

Year.	(In thousands).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	63,80,97	64,69,50	64,47,39	64,21,68	·6	—·4
1959-60	66,27,11	66,88,11	66,36,90	65,89,92	—·6	—·7
1960-61	74,74,74	74,74,80	73,89,87	71,88,99	—3·8	—2·7

32. This grant covers the cost of operating staff employed in the Locomotive, Carriage and Wagon, Ferry Steamers and Harbours, as well as the operating staff (including staff at stations) of the Traffic and Signal and Telecommunication and Electric Traction Departments.

The actual expenditure of 71,89 lakhs fell short of the budget by about 2,86 lakhs.

The saving resulted chiefly due to the initial anticipations of increase in goods traffic not having fully materialised and the consequent strict regulating of expenditure on operating staff with reference to traffic offered during the course of the year (1,77 lakhs), unforeseen delay in introduction of A.C. electric traction services etc. (12 lakhs), shortfall in payments on account of implementation of Pay Commission's Award (cf. para 29 above) (80 lakhs) and aggregate of other minor variations (17 lakhs).

The saving to the extent of 85 lakhs was foreseen and shown as such in the final estimates of this grant. Consequently, the Supplementary Demand under this grant formulated on the basis of the revised estimates was not moved in the Parliament and was withdrawn.

The above actuals include 'charged' expenditure amounting to about Rs. 5 thousand representing payment in favour of an employee in satisfaction of a court decree which could not be foreseen in the budget. Provision amounting to Rs. 6 thousand on this account was, however, made in the supplementary 'appropriation' and the difference of 1 thousand between this supplementary appropriation and the actual expenditure was due to rounding off.

Grant No. 7—Operation (Fuel).

Year.	(In thousands).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	57,21,34	59,58,42	59,39,11	59,57,81	4·1	·3
1959-60	62,44,52	66,27,96	66,27,96	66,56,67	6·6	·4
1960-61	68,07,78	72,34,20	72,06,27	72,16,19	6·0	·14

33. This grant deals with expenditure on coal and other fuel, freight and handling charges, sales tax, excise duty and cess on coal and electric current for traction purposes.

The actual expenditure of 72,16 lakhs exceeded the budget by about 4,08 lakhs. A supplementary grant of about 4,26 lakhs was obtained to meet this increase in expenditure but it proved to be somewhat excessive of the actual requirements, *viz.*, about 18 lakhs.

The aforesaid increase of 4,08 lakhs resulted chiefly from post-budget increases in the price of coal (1,21 lakhs) with consequential increases in the amount of sales tax and excise duty and also increase in the rate of labour welfare cess (34 lakhs), receipt of a greater proportion of inferior grade coal than anticipated, resulting in larger consumption and therefore, larger total supplies (1,40 lakhs) and consequential increase under freight and handling charges which was obviously not susceptible of being foreseen at the time of Budget (1,38 lakhs). The other variations of significance were fluctuations in adjustments in losses on fuel (35 lakhs) and increased cost of generating power for increased supplies as required by M/s Tatas from Chola Power House (27 lakhs); partly offset by saving owing to unforeseen delay in introduction of AC electric traction services (48 lakhs), omission to adjust certain vouchers (36 lakhs) and aggregate of other minor variations (3 lakhs). A saving of 23 lakhs was omitted to be shown as surrender in the final estimate.

The above actuals include 'charged' expenditure amounting to about Rs. one thousand on account of payments of certain claim of a coal-loading contractor decreed by a court which could not be foreseen in the original budget. Necessary provision in this respect was, however, duly made in the supplementary appropriation.

Grant No. 8. Operation other than Staff and Fuel.

Year.	(In thousands).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals
1958-59	18,84,09	20,48,81	20,44,62	20,60,42	9.4	.8
1959-60	21,22,73	23,42,43	23,32,03	23,51,17	10.8	.8
1960-61	24,34,33	35,33,89	25,23,69	24,74,05	1.7	-2.0

34. This grant deals with railway operational expenditure on stationery, forms and tickets, handling, collection and delivery of goods and expenses at out-agencies, compensation for goods lost or damaged, electrical general services, clothing and stores and other miscellaneous operating expenses. The charged expenditure under this demand relates to payments of compensation for goods lost or damaged made in satisfaction of court decrees.

The actual expenditure of about 24,74 lakhs was more than the budget by about 40 lakhs. This increase comprised increases of 28 lakhs under 'voted' grant and 12 lakhs under 'charged' appropriation. A supplementary grant of about 80 lakhs and a supplementary appropriation of about 20 lakhs were obtained to meet the anticipated increase in expenditure but these proved to be excessive of actual requirements by about 52 lakhs and 8 lakhs respectively, the former due chiefly to supply of stores, stationery forms etc. and the debits therefor not materialising to the extent expected in the revised estimates and the latter due to certain court cases not decided, contrary to expectations.

The excess over the original budget was due chiefly to unforeseeable fluctuations in the adjustment of transactions from stock adjustment account as actually found necessary during the course of the year (55 lakhs), heavier expenditure on electrical services owing partly to post-budget increase in the price of coal resulting in rise in the cost of generation of energy and partly to increased electrical installations at stations, yards etc., which could not be precisely envisaged in the budget (14 lakhs) and adjustment of heavier debits in respect of carriage of stores (13 lakhs). These increases were partly offset by savings on account of shortfall in expenditure under 'compensation' due to non-materialization of the anticipated assumption of 'common carrier liability' as the necessary legislation in this connection could not be put through as originally anticipated; partly offset by liquidation of more compensation claims than envisaged in the budget (18 lakhs), expenditure on handling collection and delivery of goods falling short of original anticipations as a result of fluctuations in volume of traffic handled etc. (13 lakhs) and aggregate of minor variations (11 lakhs).

Certain decretal payments were erroneously booked as 'voted' instead of 'charged' (3.62 lakhs)

Grant No. 9.—Miscellaneous Expenses.

Year.	(In thousands).				Percentage variation from	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	26,34,42	26,37,12	25,53,02	24,84,69	-5.7	-2.7
1959-60	26,04,87	26,06,49	25,32,97	24,61,46	-5.5	-2.8
1960-61	32,19,43	32,19,43	29,09,87	28,31,03	-12.1	-2.7

35. This grant deals with miscellaneous items of railway expenditure, such as Governments' Contribution to Provident Fund', 'Contribution and Grants', 'Compensation to passengers involved in railway accidents', 'Subsidy on railway Grainshops', 'Catering Department', other expenses such as law charges etc., and retirement benefits in the shape of 'Special Contribution to Provident Fund and Gratuities' and 'Pensionary charges'. It also includes certain revenue transactions under 'Suspense', both credits and debits.

The charged expenditure relates to payments made in satisfaction of decrees of courts and awards of claims commissioners in regard to compensation to passengers involved in railway accidents and to staff under the Workmen's Compensation Act.

The actual expenditure of about 28,31 lakhs was less than the budget by about 3,88 lakhs. This decrease was made up of saving of about 3,86 lakhs under 'voted' and about 2 lakhs under 'charged'.

The saving of 3,86 lakhs under 'voted' was comprised of savings of 3,19 lakhs under final heads and about 67 lakhs under suspense.

A saving of 3,10 lakhs was foreseen and shown as such in the final estimates.

The decrease under the final heads was almost entirely due to the Government's decision to make cash payment to the staff in implementation of the Pay Commission's recommendations for the period 1st July 1959 to 31st October, 1959, instead of making an *ex-gratia* contribution of the amount to the Provident Fund accounts of the employees under this grant as envisaged at the time of budget. The cash payments were booked under the respective grants and this resulted in a saving of 3,21 lakhs under this grant. Savings also resulted from

reduction in expenditure on grainshops mainly due to larger number of staff opting out of grainshop concessions (22 lakhs) and aggregate of minor variations (9 lakhs). These savings were partly offset by unavoidable variations from the original budget in payments in respect of retiring benefits on finalization of cases, etc. (33 lakhs).

The saving under 'suspense' was made up of a saving of 1,24 lakhs under 'Demands Payable' and an excess of 57 lakhs under 'Miscellaneous Advances'.

The saving under 'Demands Payable' was due to adjustment of more revenue liabilities to final heads and excess under Misc. Advances was due to more debits placed under this head for want of particulars, allocation etc.

Certain deeretal payments were erroneously booked as 'voted' instead of 'charged' (Rs. 7 thousand)

Grant No. 10.—Labour Welfare.

Year.	(In thousand 's).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	7,88,91	8,32,65	8,27,45	8,18,72	3.8	-1.1
1959-60	9,24,35	9,35,24	8,90,21	8,58,73	-7.9	-3.6
1960-61	11,05,30	11,05,30	10,26,28	9,89,69	-10.5	-3.6

36. This grant deals with expenditure on medical facilities, health and welfare services, education, canteens and other amenities provided for railway staff.

The actual expenditure was about 1,16 lakhs less than the budget of about 11,05 lakhs. The saving was foreseen to the extent of 79 lakhs and shown as such in the final estimates of this grant.

The saving of 1,16 lakhs was due chiefly to reduced pace of recruitment as anticipated and also as a result of economy measures resulting in less requirements for training staff and non-filling of vacancies wherever feasible etc. (1,02 lakhs) payments on account of refixation in authorised scales of pay being less than anticipated (23 lakhs) (cf para 29 above) and aggregate of minor savings (1 lakh). These savings were partly offset by increase due to transfer of certain expenditure from grant 4 to this grant after the budget (21 lakhs.)

Grant No. 11.—Appropriation to Depreciation Reserve Fund.

Year.	(In thousands).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrender or withdrawals.
1958-59	45,00,00	45,00,00	45,00,00	45,00,00	....	....
1959-60	45,00,00	45,00,00	45,00,00	45,00,00	....	....
1960-61	45,00,00	45,00,00	45,00,00	45,00,00	....	....

37. This grant represents a lumpsum appropriation to the Depreciation Reserve Fund, out of which expenditure on renewals and replacements of railway assets is met. There was no variation in the appropriation to Depreciation Reserve Fund as, in accordance with the provision made in the budget, a sum of Rs. 45 crores was appropriated to this fund during the year.

B.—PAYMENTS TO WORKED LINES AND OTHERS.

This group includes only one grant *viz.*,

Grant No. 3.—Payments to Worked Lines and Others.

Year.	(In thousands).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrender or withdrawals.
1958-59	31,39	31,39	26,13	24,25	-22.8	-7.2
1959-60	19,77	19,77	19,77	21,27	7.6	7.6
1960-61	24,47	24,47	23,45	24,31	-7	3.7

38. This grant relates to expenditure on :—

- (i) Payments to owners of branch lines worked by, and as part of the Indian Government Railways system, of their net earnings, and
- (ii) Payment of 'subsidy' in respect of lines owned and worked by certain private companies when their share of net earnings does not give the return guaranteed to them on their capital.

These payments are regulated by the relevant contracts.

The actual expenditure of 24,31 thousand fell short of the budget of 24,47 thousand by only 16 thousand. This saving of 16 thousand was minor and comprised the aggregate of the variations resulting from fluctuations in the earnings of the worked lines etc.

C.—MISCELLANEOUS EXPENDITURE.

39. The expenditure under this group is shown under four grants 1, 2, 13 & 14. The total miscellaneous expenditure of 14,24.42 lakhs was 259.67 lakhs less than the budget of 16,84.09 lakhs *vide* details below :—

	(In thousands).			
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.
Grant No. 1.—Railway Board	93,61	93,61	92,79	92,84
Grant No. 2.—Miscellaneous Expenditure ..				
{ Charged ..	3,00	3,02	3,02	3,02
{ Voted ..	1,87,48	1,91,46	1,90,13	1,77,04
Grant No. 13.—Open Line Works—Revenue—Labour Welfare	1,64,18	2,10,23	2,01,82	1,79,49
Grant No. 14.—Open Line Works—Revenue—Other than Labour Welfare	12,35,82	12,35,82	11,27,29	9,72,03
Total ..				
{ Voted ..	16,81,09	17,31,12	16,12,03	14,21,40
{ Charged ..	3,00	3,02	3,02	3,02
Grand Total	16,84,09	17,34,14	16,15,05	14,24,42

The saving was under grant 14 (263.79 lakhs), grant 2 (10.42 lakhs) and grant 1 (.77 lakhs) and excess under grant 13 (15.31 lakhs).

The variations under each of these grants are explained in the succeeding paragraphs.

Grant No. 1.—Railway Board.

Year.	(In thousands of rupees).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	81,19	83,81	83,81	82,90	2.1	-1.1
1959-60	86,54	86,54	84,13	83,89	-3.6	-4
1960-61	93,61	93,61	92,79	92,84	-8	+05

40. This grant deals with the expenditure of the office of the Railway Board.

The actual expenditure of 92,84 thousand was 77 thousand less than the budget of 93,61 thousand. The saving which was less than 1 per cent of the grant, consisted of the aggregate of minor variations calling for no remarks.

Grant No. 2.—Miscellaneous Expenditure.

Year.	(In thousands of rupees).				Percentage variation from.	
	Bueget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	1,31,26	1,58,67	1,52,29	1,44,90	10.4	-4.9
1959-60	1,81,45	1,95,09	1,81,41	1,77,34	-2.3	-2.3
1960-61	1,90,48	1,94,48	1,93,15	1,80,06	-5.5	-6.3

41. This grant deals with expenditure on miscellaneous items *viz.*, surveys, miscellaneous establishments for the investigation of problems affecting the working of railways as a whole, miscellaneous charges and the cost of Statutory Audit.

The actual expenditure was about Rs. 10 lakhs less than the budget of about 1,90 lakhs. A supplementary grant of Rs. 3.98 lakhs and a supplementary appropriation of Rs. 2 thousand were obtained during the year but the former ultimately did not prove to be necessary.

The saving over the original budget was due chiefly to debits for the cost of special police establishment not received from the civil authorities to the extent expected (Rs. 10 lakhs) and aggregate of savings under 'Misc. establishments' resulting inter-alia from payments arising from re-fixation of pay of staff in authorised scales of pay being less than anticipated (Rs. 3 lakhs).

The above savings were partly offset by increase comprising of aggregate of minor variations calling for no remarks (Rs. 3 lakhs).

Grant No. 13.—Open Line Works—Revenue—Labour Welfare.

Year.	(In thousands of rupees).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	1,62,37	1,62,37	1,59,25	1,39,69	-14.0	-12.3
1959-60	1,31,83	1,31,83	1,24,78	1,23,09	-6.6	-1.3
1960-61	1,64,18	2,10,23	2,01,82	1,79,49	+9.3	-11.1

42. This grant includes expenditure on works costing not more than Rs. 25,000 for labour welfare like hospitals, dispensaries, schools, sports grounds, reading rooms, institutes, rest houses, maternity and child welfare centres, cooling arrangements for workshops, canteens, rest rooms, quarters for staff and provision and improvement of sanitation, water supply, road lighting and marketing facilities in Railway colonies, etc.

As compared with the original budget of 1,64 lakhs, the expenditure was 1,79 lakhs. The increase of 15 lakhs over the budget was due chiefly to the re-phasing of works, reflecting generally the result of efforts to complete the Second Plan works to the maximum extent possible, as also undertaking of certain urgent works found necessary during the year.

A supplementary grant of about 46 lakhs was taken on the basis of the revised estimates, but it proved excessive of the actual requirements by about 31 lakhs owing chiefly to progress of certain works falling short of anticipations owing inter alia to unforeseen delay in supply of certain materials, e.g., bricks, cement, steel etc.

The saving indicated above was foreseen to the extent of about 8 lakhs and shown as such in the final estimates under this grant.

Grant No. 14.—Open Line Works—Revenue—Other than Labour We.fare.

Year.	(In thousands of rupees).				Percentage variation from	
	Bueget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1958-59	13,32,59	13,32,59	10,04,18	9,37,69	-29.6	-6.6
1959-60	13,70,53	13,70,53	11,53,42	10,59,43	-22.7	-8.2
1960-61	12,35,82	12,35,82	11,27,29	9,72,03	-20.9	-13.4

43. This grant covers expenditure on works for operating improvements, the direct return from which does not come up annually to 5 per cent of their cost, and which are estimated to cost not more than 3 lakhs each as well as on new minor works, i.e., works costing Rs. 25,000 or less each other than for labour welfare and Railway users' amenities.

The expenditure was about 2,64 lakhs less than the budget estimate of about 12,36 lakhs. The saving occurred chiefly as a result of adjustment and rephasing of certain works in the light of requirements during the course of the year which could not be foreseen with any amount of precision, shortfall in supply of certain materials such as signalling and electrical materials, cement etc., (2,01 lakhs), works deferred also as a result of continued economy measures (52 Lakhs) and expenditure on certain works adjusted under other grants as a result of change in allocation decided upon during the year (49 lakhs).

The above savings were partly offset by expenditure on certain works thrown forward from the previous year (24 lakhs) and certain urgent works found necessary during the year (14 lakhs.)

The savings indicated above were foreseen to the extent of 1,09 lakhs and shown as such in the final estimates in this grant, and in view of these savings the supplementary demand formulated on the basis of the revised estimates was not moved in the Parliament.

D.—WORKS EXPENDITURE OUTSIDE THE REVENUE ACCOUNTS.

44. The expenditure under this group is shown under five grants *viz.*, 15, 16, 17, 18 and 19.

		(In Lakhs).			
		Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure
Grant No. 15.—Construction of New Lines	Voted ..	54,76	55,06	46,20	44,76
	Charged	....	3	3	5
Grant No. 16.—Open Line Works—Additions	Voted ..	2,64,18	2,97,18	2,74,36	2,64,24
Grant No. 17.—Open Line Works—Replacements.	Voted ..	92,31	1,01,40	96,64	95,36
	Charged	23	23	(A)	(A)
Grant No. 18.—Open Line Works—Development Fund.	Voted ..	25,00	29,10	24,40	23,32
	Charged	....	....	....	(B)
Grant No. 19.—Repayment of Loans from General Revenues and Interest thereon	Voted ..	1,06	1,06	99	99
Total	Voted ..	4,37,31	4,83,80	4,42,58*	4,28,65*
	Charged	23	26	4*	6*
Total	.. ..	4,37,54	4,84,06	4,42,61*	4,28,71*

(A) Rs. 42 thousand.

(B) Rs. 29 thousand.

* Difference in totals is due to rounding off.

The expenditure was about 8,83 lakhs less than the original budget of 4,37,54 lakhs. The saving was under grant 15 (9,95 lakhs), grant 18 (1,68 lakhs) and grant 19 (7 lakhs) and was partly off set by increase under grant 16 (6 lakhs) and grant 17 (2,82 lakhs).

Supplementary grants amounting to about 46,50 lakhs and supplementary appropriations amounting to 3 lakhs were obtained but these proved to be excessive of the actual requirements.

The variations Railwaywise under the various grants and the explanations for variations under each grant for the Railways as a whole are given in para 47 etseq.

45. As in the previous years, an overall cut for 'probable savings' was made on the total provision for the cost of the programme of both 'New Constructions' and 'Open Line Works'. These savings under the various grants were as under :—

	(In lakhs.) Rs.
(i) Grant No. 15.—Construction of New Lines	8,15
(ii) Grant No. 16.—Open Line Works—Additions	10,93
(iii) Grant No. 17.—Open Line Works—Replacements... ..	4,42
(iv) Grant No. 18.—Open Line Works—Development Fund ..	1,55

46. The variation in actual expenditure over the original budget are dealt with in the succeeding paragraphs.

47. The following tables show the variations under grants 15,16,17 and 18 from the gross budget *i.e.*, gross appropriations for approved programmes, without any reduction for probable savings, and the final grants less surrenders or withdrawals on the various railways.

Grant No. 15.—Construction of New Lines.

				(In lakhs.)			Variation from.	
				Budget Estimates.	Final Appropriation less surrenders or withdrawals.	Actuals.	Budget.	Final Appropriation less surrenders or withdrawals.
Central	..	..	Voted ..	29	....	....	-29	....
Eastern	..	..	Voted ..	7,22	5,99	5,85	-1,37	-14
Northern	..	..	Voted ..	6,41	4,74	4,80	-1,61	+6
Northeast Frontier	..	..	Voted ..	12,27	9,36	9,28	-2,99	-8
Southern	..	..	Charged ..	....	3	5	+5	+2
			Voted ..	31	4	4	-27	....
South eastern	..	..	Voted ..	14,35	3,68	3,63	-10,72	-5
Western	..	..	Voted ..	25	47	49	+24	+2
Railway Electrification	..	..	Voted ..	21,81	18,18	17,61	-4,20	-57
Dandakaranya Balangir Kiruburn Railway Project.				....	3,74	3,07	+3,07	-67
Miscellaneous (Provision for probable savings)	..	..	.. ..	-8,15	....	....	+8,15	....
Total	..	..	Voted ..	54,76	46,20	44,76*	-10,00*	-1,44*
			Charged ..	....	3	5	+5	+2

* Difference in totals is due to rounding off.

Grant No. 16.—Open Line Works—Additions.

Railways.	(In lakhs).			Variation from.	
	Budget Estimates.	Final Appropriation less surrenders or withdrawals.	Actuals.	Budget.	Final Appropriation less surrenders or withdrawals.
Central	30,49	40,11	38,35	+7,86	-1,76
Eastern	33,14	49,20	46,97	+13,83	-2,23
Northern	27,93	32,36	30,27	+2,34	-2,09
North Eastern	14,64	15,17	15,44	+80	+27
Northeast Frontier	12,43	14,21	13,53	+1,10	-68
Southern	25,23	32,61	30,88	+5,65	-1,73
South Eastern	21,31	34,22	33,44	+12,13	-78
Western	30,42	37,04	35,83	+5,41	-1,21
Chittaranajn Locomotive Works	13,98	12,13	12,07	-1,91	-6
Integral Coach Factory	9,20	6,65	6,34	-2,86	-31
Loco Component Works	1,34	42	42	-92	....
Railway Board	55,00	22	70	-54,30	+48
Miscellaneous (provision for probable savings)	-10,93	....	....	+10,93	....
Total ..	2,64,18	2,74,36*	2,64,24	+6	-10,12*

Grant No. 17.—Open Line Works—Replacements.

Railways.	(In lakhs).			Variation from	
	Budget Estimates.	Final Appropriation less surrenders or withdrawals.	Actuals.	Budget.	Final Appropriation less surrenders or drawings.
Central	9,36	16,53	16,67	+7,31	+14
Eastern	9,24	12,85	13,08	+3,84	+23
Northern	8,80	14,94	13,69	+4,89	-1,25
North Eastern	5,23	4,55	4,60	-63	+5
Northeast Frontier	2,85	2,91	2,79	-6	-12
Southern	12,68	17,29	16,52	+3,84	-77
South Eastern	14,96	14,85	15,09	+13	+24
Western	7,59	12,68	12,89	+5,30	+21
Chittaranjan Locomotive Works	23	A	A	-23	....
Chittaranjan Locomotive Works	2	3	3	+1	....
Railway Board	26,00	....	....	-26,00	....
Miscellaneous (provision for probable savings)	-4,42	....	....	+4,42	....
Total ..	92,31	96,64*	95,36	+3,05	-1,28*
.. { Voted ..	23	A	A	-23	....
.. { Charged ..					

* Difference in totals is due to rounding off.

A=Rs. 42 thousand.

Grant No. 18.—Open Line Works—Development Fund.

Railways.	(In lakhs).			Variation from.	
	Budget Estimates.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final Appropriation less surrenders or withdrawals.
Central	5,91	5,44	5,31	-60	-13
Eastern	1,67	1,63	1,60	-7	-3
Northern	Voted 2,39	2,70	2,49	+10	-21
North Eastern	Charged 2,72	2,36	A 2,27	A -45	A -9
Northeast Frontier	2,58	3,03	2,89	+31	-14
Southern	5,02	3,27	2,98	-2,04	-29
South Eastern	2,60	2,09	1,95	-65	-14
Western	3,65	3,88	3,82	+17	-6
Miscellaneous (provision for probable savings)	-1,55	.....	.....	+1,55	.....
Total	25,00*	24,40	23,32*	-1,68	-1,08*

* Difference in totals is due to rounding off.

A=Rs. 29 thousand.

48. The following tables show the variations under Grants 15,16,17 and 18 from original grants *i. e.*, gross grants, for approved programme less probable savings.

Grant No. 15.—Construction of New Lines.

Railways.	(In lakhs).		
	Net original Appropriation.	Actual Expenditure.	Variation.
Central	Voted .. 28	.....	-28
Eastern	Voted .. 6,86	5,85	-1,01
Northern	Voted .. 6,09	4,80	-1,29
Northeast Frontier	Voted .. 11,65	9,28	-2,37
Southern	Charged	5	+ 5
	Voted .. 29	4	-25
South Eastern	Voted .. 13,63	3,63	-10,00
Western	Voted .. 24	49	+25
Railway Electrification	Voted .. 15,72	17,61	+1,89
Dandakaranya—Balangia—Kiruburu Railway Project .. .. .	.....	3,07	+3,07
	Charged	5	+ 5
Total	Voted .. 54,76	44,76*	-10,00*

* Difference in totals is due to rounding off.

Grant No. 16.—Open Line Works—Additions.

Railways.	(In lakhs).		
	Net Original Appropriation.	Actual Expenditure.	Variation.
Central Voted ..	30,47	38,35	+7,88
Eastern " ..	33,10	46,97	+13,87
Northern " ..	27,76	30,27	+2,51
North Eastern " ..	14,53	15,44	+91
Northeast Frontier " ..	12,10	13,53	+1,43
Southern " ..	25,21	30,88	+5,67
South Eastern " ..	21,25	33,44	+12,19
Western " ..	30,39	35,83	+ 5,44
Chittaranjan Locomotive Works " ..	13,93	12,07	— 1,86
Integral Coach Factory " ..	9,16	6,34	— 2,82
Loco Component Works " ..	1,28	42	— 86
Railway Board " ..	45,00	70	—44,30
Total ..	2,64,18	2,64,24	+ 6

Grant No. 17 Open Line Works—Replacements.

Railways.	(In lakhs).		
	Net Original Appropriation.	Actual Expenditure.	Variation.
Central " ..	8,81	16,67	+7,86
Eastern " ..	8,72	13,08	+ 4,36
Northern " ..	8,17	13,60	+ 5,52
North Eastern " ..	4,83	4,60	—23
Northeast Frontier " ..	2,63	2,79	+16
Southern " ..	12,00	16,52	+ 4,52
South Eastern " ..	14,07	15,09	+ 1,02
Western " ..	7,06	12,89	+ 5,83
Chittaranjan Locomotive Works " ..	23	A	—23
Railway Board " ..	26,00	....	—26,00
Total ..	92,31	95,36	+ 3,05

* Difference in totals is due to rounding off.

A = Rs. 42 thousand

Grant No. 18.—Open Line Works—Development Fund.

Railways.	(In lakhs).			
	Net Original Appropriation.	Actual Expenditure.	Variation.	
Central	5,57	5,31	-26	
Eastern	1,57	1,60	+ 3	
Northern	Voted 2,25	2,49	+24	
North Eastern	Charged	A	A	
Northeast Frontier	2,57	2,27	-30	
Southern	2,43	2,89	+46	
South Eastern	4,73	2,98	-1,75	
Western	2,45	1,95	-50	
	3,44	3,82	+38	
	Total Voted Charged	25,00*	23,32* (A)	-1,68* (A)

* Difference in totals is due to rounding off.

A = Rs. 29 thousand.

Grant No. 15—Construction of New Lines.

Year.	(In thousands of rupees).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final Appropriation less surrenders or withdrawals.
1958-59	25,39,39	25,40,97	19,53,57	19,33,98	-23.8	- 1.0
1959-60	45,09,38	45,27,38	28,25,30	27,48,43	-30.5	- 2.7
1960-61	54,76,09	55,09,23	46,22,73	44,80,85	-18.2	- 3.1

49. This grant deals with expenditure on construction of new Lines and restoration of dismantled lines chargeable to Capital and Depreciation Reserve Fund.

The actual expenditure under this grant was 9,95 lakhs less than the budget of 54,76 lakhs. Supplementary grant of 30 lakhs was taken in respect of 'Bailadilla-Kottavalasa' and 'Madhopur-Kathua' projects which were not included at the time of presentation of the Railway Budget as the decision to make an immediate start with the construction of these lines was taken subsequently.

The aforesaid saving of 9,95 lakhs occurred mostly on the D.B.K. Project formerly under the S.E. Railway but organised separately under a General Manager during the course of the year (5,29 lakhs), the Rangapara-Lakhimpur construction Project on the N. F. Railway (2,24 lakhs.) and the Roberts Ganj Garhwa Road Railway Project on the Northern Railway (1,49 lakhs.) These savings can be attributed chiefly to non-receipt in requisite quantity, of certain types of materials such as imported steel, rails, sleepers, cement and T.C.M. aid materials, post-budget rephasing of works, changes in plans designs, delayed finalisation of contracts etc. [includes omission to make certain credit provision in the original estimate Rs. 22 lakhs] (8,01 lakhs), debits for supply of materials etc. not received to the extent expected (1,25 lakhs), slower progress in the acquisition of land (51 lakhs) and aggregate of other minor variations (18 lakhs).

The actuals under this grant also include an amount of 5 lakhs under 'Charged' expenditure on account of compensation on land acquisition cases decreed by court. A provision on this account was made to the extent of 3 lakhs in the supplementary appropriation but it proved inadequate to the extent of about 2 lakhs.

Grant No. 16.—Open Line Works—Additions.

Year.	(In thousands of rupees).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final Appropriation less surrenders or withdrawals.
1958-59	4,12,02,06	4,30,60,95	4,23,18,91	4,20,62,12	2.1	— .6
1959-60	3,72,30,95	3,72,30,95	3,56,26,19	3,53,95,13	— 4.9	— .6
1960 61	2,64,18,12	2,97,18,30	2,74,35,94	2,64,23,50	....	—3.7

50. An analysis of the expenditure by main heads in given below :—

Particulars.	(In lakhs).		
	Budget.	Final Appropriation less surrenders or withdrawals.	Actuals.
1. <i>Rolling Stock.</i> —			
Locomotives	14,44	5,35	5,27
Boilers	33	17	17
Carriages	10,56	13,80	13,08
Wagons	31,92	22,15	20,25
Ferries .. ..	..	1	1
Probable Savings	10,00	....	....
Total	47,25	41,48	38,79*

* Difference in totals is due to rounding off.

Particulars.	(In lakhs).		
	Budget.	Final Appropriation less surrenders or withdrawals.	Actuals.
2. Works.—			
Machinery	1,51	92	76
Other Structural Works	18,17	14,71	14,02
Probable Savings	93	....	....
Total ..	18,75	15,63	14,78
3. Miscellaneous.—			
Stores Suspense	85,13	92,28	90,55
Manufacture Suspense	1,02,38	94,39	91,45
Miscellaneous Advances Capital	8,91	29,07	27,15
Investment in Road Services	1,75	1,51	1,51
Total ..	1,98,17	2,17,25	2,10,67*
Grand Total ..	2,64,18*	2,74,36	2,64,24

* Difference in totals is due to rounding off.

51. This grant deals with Capital expenditure on additions to railway assets such as rolling stock, machinery and works. It also includes transactions under stores, manufacture and miscellaneous advances suspense accounts, both debits and credits.

The actual expenditure under this grant was about 6 lakhs more than the budget of 2,64,18, lakhs. A supplementary grant of 33 crores was obtained from the Parliament to meet the increases under, 'Misc. Advances' and, 'Stores Suspense' expected in the revised estimates chiefly for the reasons set out in sub paras (a) & (b) below, but it proved to be unnecessary on account of the actual increases under the aforesaid heads having been offset by savings under other heads of this grant.

The excess of six lakhs over the original budget was made up of excesses under 'Misc-Advances' (18,24 lakhs) and, Stores Suspense' (5,42 lakhs); these excesses were partly offset by savings under 'Manufacture Suspense' (10,93 lakhs), 'Rolling Stock' (8,46 lakhs), 'Works. (3,97 laks) and 'Investment in road services' (24 lakhs).

(a) The excess of (18,24 lakhs) under "Miscellaneous Advances' was due chiefly to advance payments for procurement of steel materials such as rails, fish plates and steel for wagon building etc. from abroad which materialised during the course of th year, and adjustment of customs duty charges etc. on imported stores, pending receipt and distribution of those materials [includes increase on account of provision made by a railway on net instead of gross basis in the original budget (87 lakhs)] (18,06 lakhs) and aggregate of other items placed under this head pending acceptance, final allocation etc. (18, lakhs).

(b) The excess of 5,42 lakhs under Stores Suspense' was due partly to larger receipts of permanent way materials etc. as a result of measures taken for completing the second Plan works and partly to less issues to manufacture suspense etc. [includes provision made for "Stores-in transit" by a railway on gross instead of net basis (112 lakhs)] (5,13 lakhs) (this is also reflected in the increased expenditure under "Track Renewal Works in Demand 17), post budget clearance of inefficient items under the head, Purchases (1,43 lakhs) and fluctuations in adjustments under 'Stock adjustment account' (14 lakhs); partly offset by receipt of less manufactured materials from workshops (1,28 lakhs),.

(c) The saving of 10,93 lakhs under 'Manufacture suspense' was due to less outturn in Workshops including *inter alia* reduction in manufacture of Stores for stock purposes (10,24 lakhs), as part of the drive for the planned reduction of Store balances, payments on account of refixation of pay in the authorised sales of pay not materialising to the extent expected (45 lakhs) and aggregate of other minor variations (24 lakhs).

(d) The saving of Rs. 8,46 lakhs under 'Rolling Stock' was due mainly to the non-materialisation of the initial anticipations in the matter of procurement of diesel locos and shunters as well as production of electric locos by C.L.W. not keeping up to schedule, shortfall in the construction of coaches and wagons by the coach manufacturers and wagon builders in the private sector due to difficulties in the procurement of raw materials etc, (12,12 lakhs), partly offset by expenditure on certain works taken under this grant as a result of changes in allocation decided upon during the course of the year (3,66 lakhs).

(e) The saving of 3,97 lakhs under 'works' was due to progress of works not materialising to the extent originally anticipated owing mainly to shortfall in supply of materials such as bricks, cement (3,64 lakhs), adjustment of credits received in respect of certain land from the Defence Department towards the close of the year (25 lakhs) and expenditure on certain works taken under other grants as a result of change in allocation decided upon during the course of the year (19 lakhs); partly offset by expenditure on certain works found necessary during the year (11 lakhs) and

(f) The saving of 24 lakhs under 'Investment in Road Services' was due to participation in certain schemes for road services during the year not materialising to the extent expected.

Grant No. 17.—Open Line Works—Replacements (Capital and Depreciation Reserve Fund).

Year.	(In thousands of rupees).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final Appropriation less surrender or withdrawals.
1958-59	99,17,43	1,12,76,46	1,10,18,15	1,11,14,85	12.1	.9
1959-60	99,49,52	99,49,52	97,49,74	95,99,88	-3.5	-1.5
1960-61	92,53,30	1,01,62,54	96,63,97	95,35,95	3.1	-1.3

52. An analysis of the expenditure by main heads is given below :—

	(In lakhs).		
	Budget.	Final Appropriation less surrenders or withdrawals within grant.	Actuals.
1. <i>Rolling Stock</i> .—			
Locomotives	11,62	6,95	7,15
Boilers	9	7	8
Carriages	17,50	12,14	12,52
Wagons	2,41	3,62	3,64
Ferries	5	9	6
Total ..	31,67	22,87	23,35
2. <i>Works</i> .—			
Machinery	1,47	72	62
Bridges	3,95	3,65	3,41
Track Renewals	29,09	41,08	41,58
Other Structural Works	30,77	28,32	26,40
Probable Savings	—4,42	....	....
Total ..	60,86	73,77	72,01
Grand Total ..	92,53	96,64	95,36

53. This grant deals with expenditure on entire or partial replacements of railway assets such as rolling stock, machinery and works.

The actuals of about 95,36 lakhs under this grant exceeded the budget by about 2,83 lakhs. This was made up of an increase of about 11,15 lakhs under 'Works' and a saving of about 8,32 lakhs under 'Rolling Stock.'

A supplementary grant amounting to about Rs. 9.09 crores was obtained from Parliament on the basis of revised estimates, but it proved partly in excess of actual requirements *viz.* Rs.6.26 crores owing partly to savings anticipated at that stage under 'Rolling Stock' having been exceeded and partly to unforeseeable fluctuations in supply of machinery and other materials in requisite quantities.

The increase of 11,15 under 'Works' was due to accelerated progress of track renewals and other works including throw forward works which had become possible as a result of improvement in the availability of permanent way and other materials consequent upon the efforts made to complete the Second Plan works as far as possible [Includes excessive provision made in the budget estimates (15 lakhs)] (7, 22 lakhs). Increase also occurred on account of certain urgent works found necessary during the year (3,30 lakhs) and expenditure on certain works adjusted under this grant as a result of changes in allocation decided upon during the year (1,42 lakhs).

The above increases were partly offset by credits for surplus stores etc. exceeding the original anticipations (57 lakhs) and compensation for land acquisition not paid contrary to expectations (22 lakhs).

The decrease of 8,32 lakhs under 'rolling stock' was due to the procurement and manufacture of Rolling stock not materialising to the extent expected (c f para 5] (d) supra (6,30 lakhs) and savings resulting from certain items of rolling stock decided during the course of the year to be taken on 'additional' instead of replacement account (3,36 lakhs); partly offset by increase on account of adjustment in respect of advance payment to a firm made during the course of a year (1,34 lakhs).

54. The change in the scope of Annexure D—Statement of Important Open Line Works and New Constructions to the detailed Appropriation Accounts has been indicated in para 16 supra. According to the revised scope, Part I of this Annexure has to show works costing Rs. 20 lakhs and over which were undertaken during the year without budget provision in the original or final allotment. During the year under review there were 18 such items.

Part II of the revised Annexure includes works costing Rs. 50 lakhs or more for which budget provision existed but were not undertaken during the course of the year. The number of items falling within the purview of this part of the Annexure was 19.

Part III of the revised Annexure consists of Part B of the Annexure hitherto in force and shows variations between the original estimate and the actual expenditure on works costing Rs. 50 lakhs each or more which were completed during the year under report. This statement comprised of 17 works

Grant No. 18.—Open Line Works—Development Fund.

Year.	(In thousands of rupees).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals	Actual Expenditure	Budget.	Final Appropriation less surrenders or withdrawals.
1958-59	36,70,32	36,70,32	28,41,90	27,89,23	-24.0	-1.9
1959-60	31,49,00	31,49,00	25,30,49	24,90,39	-20.9	-1.6
1960-61	25,00,00	29,10,12	24,40,18	23,31,80	-6.7	-4.3

55. This grant deals with expenditure on amenities for passengers and other railway users, staff welfare works, including the cost of quarters for class III and class IV staff costing above Rs. 25,000 and unremunerative operating improvement works costing more than Rs. 3 lakhs. and unremunerative new lines in progress on 1st April, 1955.

The actual expenditure of about 23,32 lakhs was less than the Budget by about 1,68 lakhs.

A supplementary grant of 4,10 lakhs was obtained to meet the increase expected in expenditure as a result of accelerated progress of works of passenger and other railway users' amenities etc. and under staff welfare works mainly on account of adjustment of the cost of Class III and Class IV staff quarters forming part of schemes and allocated hitherto to the same head of expenditure as the schemes themselves but which as a result of subsequent re-view was considered to be chargeable to the Development Fund. As a result, however, of the further decision taken after the supplementary grant was voted by the Parliament to make the aforesaid transfer of expenditure incurred upto 31-3-1960 without financial adjustment as also due to the progress of certain works not materialising to the extent expected, the Supplementary Grant proved unnecessary.

This saving was duly assessed and shown in the final modification towards the end of March, 1961.

The saving of 1,67 lakhs over the original budget resulted chiefly from (i) shortfall in the progress of certain works owing to supply of special types of materials such as signal and tele-communication stores etc. not coming upto expectations (1,55 lakhs), (ii) expenditure on certain works adjusted under other grants as per change in allocation decided upon during the year partly reduced by expenditure on Class III and Class IV staff quarters referred to in the preceding sub para taken under this grant (42 lakhs) and (iii) aggregate of minor savings (21 lakhs).

The above savings were partly offset by expenditure on certain urgent works (31 lakhs) and throwforward works (20 lakhs) which was not susceptible of being foreseen with precision in the budget.

The actuals include 29 thousands 'Charged' expenditure in connection with payment of certain claims decreed by a court during the course of the year.

*Grant No. 19.—Repayment of loans from General Revenues and Interest thereon—
Development Fund.*

(In thousands).

	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actuals.
1958-59	18,93	18,93	18,93
1959-60	57,95	65,33	65,32
1960-61	1,06,12	1,06,12	98,58

56. This grant deals with the payment of interest on loans taken temporarily from the General Revenues to finance the Railway Development Fund. The actual payment of the interest during the year under report was 7,55 thousand less than the budget owing partly to the figures of actual loan being less than originally anticipated consequent upon increase in the amount of surplus actually available for appropriation to the Development Fund, and partly to decrease in the actual rate of interest. This saving was foreseen to the extent of 7,54 thousand at the time of, and shown as such in, the final appropriation.

E.—DIVIDEND PAYABLE TO GENERAL REVENUES.*Grant No. 12.—Dividend payable to General Revenues.*

Year.	(In thousands of rupees).			Actuals.
	Budget. Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	
1958-59	49,58,39	50,02,75	50,02,75	50,38,82
1959-60	54,40,71	54,50,38	54,50,38	54,43,26
1960-61	57,27,02	57,27,02	56,65,64	55,85,97

57. The actual expenditure on account of dividend payable to General Revenues was about 55,86 lakhs and fell short of the original anticipation in the budget by about 1,41 lakhs.

In the revised estimates, this payment was expected to be 56,66 lakhs *i.e.*, about 61 lakhs less than the budget of 57,27 lakhs. This was mainly due to the fact that the amount of element of over-capitalisation included in the capital-at-charge was, during the course of the year, assessed at about 1,21 crores on which, in accordance with the Railway Convention (1954) dividend at the average borrowing rate of interest was charged to the Commercial Departments and not the full rate of Dividend, was payable with effect from 1st April, 1955. The figures of over-capitalisation for the purpose of working out the dividend had been computed on the previous tentative figure of 1,00 crores only. The consequential adjustment, in the year under report, of the difference between the full rate of dividend paid and the average rate of interest payable on the additional amount of 21 crores chiefly resulted in the aforesaid decrease in dividend in the revised estimate.

The actual payment of dividend at the close of the year was, however, 55,86 lakhs—the shortfall of 80 lakhs as compared to the revised estimate being chiefly due to the figures of actual capital-at-charge being less than those adopted in the revised estimate (*cf.* paras 49 and 51 above.)

F.—ADJUSTMENTS SHOWING FINAL RESULTS OF THE YEAR.*Grant No. 20.—Appropriation to Development Fund.*

Year.	(In thousands of rupees).			Actuals.
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	
1958-59	27,34,00	27,34,00	13,00,27	8,92,86
1959-60	21,18,74	21,18,74	14,75,20	20,12,49
1960-61	18,42,52	18,42,52	14,02,67	32,01,42

58. At the time of original budget, a surplus of 18,43 lakhs was anticipated for the year and the same was proposed to be appropriated wholly to the Development Fund. The actual appropriation to the Development Fund at the close of the year was 32,01 lakhs and the reasons for this increase have already been explained in para 9 supra.

59. There was no transaction under grant No 21—Appropriation to Revenue Reserve Fund as the entire surplus, as envisaged in the Budget, was taken to the Development Fund.

Similarly, there was no transaction under grant No. 22—Withdrawal from the Revenue Reserve Fund, during the year under report.

SECTION IV.

Results of Appropriation Audit.

60. In the preceding sections of this review, the more important variations between the actual results of the year and the original anticipations have been explained in detail. In this section are collected together the important results of appropriation audit.

Excess over grants.

61. In the year under review, there were excesses over one voted grant, (*viz.* 20) and three charged appropriations *viz.* 2,15 and 18. In the previous year, excesses occurred over 3 voted grants and 4 charged appropriations.

The grants and appropriations under which excesses occurred during the year are listed below. These excesses require to be regularised under Article 115 of the Constitution. Brief reasons are given for each of the excesses.

Grant/Appropriation.	Final Grant/ Appropriation.	Actual Expenditure.	Excess.
Appropriation No. 2.—Misc. Expenditure	3,02,000	3,02,497	+ 497
Minor variation.			
Appropriation No. 15.—Construction of New Lines	3,14,000	4,83,525	+1,69,525
Due to provision omitted to be made for certain debits received from Civil authorities in respect of compensation on land acquisition cases decreed by court.			
Appropriation No. 18.—Open Line Works—Development Fund.. . . .	....	28,570	+28,570
Due to adjustment of expenditure in respect of certain court decrees for which provision was omitted to be made in the supplementary appropriation.			
Grant No. 20.—Appropriation to Development Fund	18,42,52,000	32,01,42,160	+13,58,90,160
Due to the actual amount of surplus exceeding the revised estimates as a result of various factors already explained in para 9 supra.			

Certain decretal payments were erroneously booked as 'voted' instead of 'charged' (grant 5=Rs. 1,4257; grant 13=Rs. 6,146; grant 14=Rs. 1,388)

Saving over Grants.

62. The grants under which the savings occurred during the year are listed below. Brief reasons for the savings are given under each grant.

Grant/Appropriation.	Final Grant/ Appropriation.	Actual Expenditure.	Savings.
	Rs.	Rs.	Rs.
Grant No. 1.—Revenue—Railway Board	93,61,000	92,84,285	—76,715
Aggregate of minor variations.			
Grant No. 2.—Revenue—Misc. Expenditure	1,91,46,000	1,77,04,470	—14,41,530
Due chiefly to non-receipt of debits for cost of special police establishment received from civil authorities.			
Grant No. 3.—Revenue—Payment to Worked Lines and others ..	24,47,000	24,30,649	—16,351
Minor Savings.			
Grant No. 4.—Revenue—Administration	39,10,02,000	37,63,91,996	—1,46,10,004
Due mainly to non-filling up of vacancies, reduced pace of recruitment etc. partly as an economy measure and the amount of additional payments arising from refixation of pay of staff in Authorised Scales adopted on the recommendation of the Pay Commission falling short of expectations. A substantial part of the saving <i>viz.</i> 82 lakhs was foreseen and shown as such in the final estimates.			
Grant No. 5.—Revenue—Repairs and Maintenance	1,23,36,67,000	1,17,05,30,957	—6,31,36,043
Due mainly to temporary postponement of periodical overhauls of wagons in workshops and only essential repairs having been undertaken in order to increase the effective availability of wagons to meet increased needs of traffic, curtailment in expenditure on maintenance of way and works, electrical installations etc. due also to economy measures and additional payments on account of refixation of pay of staff in authorised scales not made to the extent expected. Savings amounting to 327 lakhs had been foreseen and shown as such in the final estimates [includes a saving of 35 lakhs which could have been surrendered in the final estimates.]			
Appropriation No. 6.—Revenue—Operating Staff.. .. .	6,000	5,318	—682
Minor saving.			
Grant No. 6.—Revenue—Operating Staff	74,74,74,000	71,88,93,724	—2,85,80,276
Due mainly to additional staff not engaged to the extent expected on account of anticipated increase in traffic not fully materialising and additional payment on account of refixation of pay of staff in Authorised Scales not made to the extent expected. Savings to the extent of about 5 lakhs were foreseen and shown as such in the final estimates.			
Appropriation No. 7.—Revenue—Operation (Fuel). .. .	1,000	713	— 287
Minor saving.			
Grant No. 7.—Revenue—Operation (Fuel).. .. .	72,34,19,000	72,16,18,291	—18,00,709
The saving was less than 25% calling for no remarks.			

Grant/Appropriation.	Final Grant Appropriation.	Actual Expenditure.	Savings. Rs.
	Rs.	Rs.	Rs.
Appropriation No. 8.—Revenue—Operation (Other than staff and Fuel)	83,43,000	75,55,702	—7,87,29
Due chiefly to cases of compensation claims for goods lost and damaged not decided by the courts as anticipated.			
Grant No. 8.—Revenue—Operation (Other than Staff and Fuel)..	24,50,46,000	23,98,50,068	—51,95,932
Saving was mainly under clothing, uniform and consumable stores etc. partly owing to certain debits not materialising as anticipated and partly as a result of economy measures etc.			
Appropriation No. 9.—Revenue—Miscellaneous Expenses ..	5,78,000	3,98,326	—1,79,674
Due mainly to cases for compensation not finalised by the courts to the extent anticipated.			
Grant No. 9.—Revenue—Miscellaneous Expenses.. .. .	32,13,65,000	28,27,04,952	—3,86,60,048
Due chiefly to post budget decision to make cash payment to staff in implementation of pay commissions recommendations for the period 1st July 1959 to 31st October 1959 and instead of making an ex-gratia contribution of the amount to their Provident Fund accounts, fluctuations in contribution to Provident Fund and retiring benefits not susceptible of being precisely foreseen. A substantial part of the saving viz. 3,08 lakhs was foreseen and shown as such in the final estimates.			
Grant No. 10.—Revenue—Labour Welfare.. .. .	11,05,30,000	9,89,69,110	—1,15,60,890
Due chiefly to non-filling of vacancies wherever feasible, reduced pace of recruitment partly as a result of economy measures etc. shortfall in the number of trainees and additional payments on account of refixation of pay of staff in authorised scale not made to the extent expected.			
Grant No. 12.—Revenue—Dividend Payable to General Revenues.	57,27,02,000	55,85,97,178	—1,41,04,822
Due mainly to post-budget revision of the amount of over-capitalisation included in the Capital-at-Charge and the consequential readjustment of the amount of dividend thereon and also figures of actual Capital-at-charge being less than anticipated. Saving to the extent of 61 lakhs was foreseen and shown as such in the revised estimate.			
Grant No. 13.—Open line Works—Revenue—Labour Welfare ..	2,10,23,000	1,79,48,671	—30,74,329
Due chiefly to progress of certain works falling short of anticipations owing to unforeseen delay in supply of certain materials.			
Grant No. 14.—Open line Works—Revenue—Other than Labour Welfare	12,35,82,000	9,72,03,451	—2,63,78,549
Due mainly to unforeseen adjustments in and deferment and rephasing of certain works, shortfall in supply of certain materials, etc. The saving to the extent of 1,09 lakhs had been foreseen and shown as such in the final estimates. [Includes a saving of 8,48 lakhs which could have been shown as surrenders in the final estimates.]			
Grant No. 15.—Construction of New Lines	55,06,09,000	44,76,01,111	—10,30,07,889
Due to slow progress in acquisition of land and finalisation of contracts in respect of certain works and non-receipt of certain types of materials in requisite quantities. (includes a saving of 34.67 lakhs which could have been shown as surrender in the final estimates.)			

Grant/Appropriation.	Final Grant/ Appropriation.	Actual Expenditure.	Savings.
Grant No. 16.—Open Line Works—Additions Due to unforeseen short fall in procurement of Rolling Stock, reduction under 'Manufacture Suspense' due to less manufacture of stores for stock purposes and supply of certain materials not coming upto expectations towards the close of the year. A large part of the saving was foreseen and shown as such in the final estimates (includes a saving of 27.20 lakhs which could have been shown as surrenders in the final estimates; provision in respect of stores in transit was made on a Rly. in the final estimates on gross basis instead of net.)	2,97,18,30,000	2,64,23,50,402	—32,94,79,598
Appropriation No. 17.—Open Line Works—Replacements Due to debits for acquisition of land not received during the year. The saving was foreseen and shown as such in the revised estimates.	22,69,000	41,862	—22,27,138
Grant No. 17.—Open Line Works—Replacements Unavoidable saving mainly under rolling stock etc; even at the time of framing the supplementary demand under this grant a substantial part of this saving was envisaged and the additional provision was kept down accordingly (includes 21.25 lakhs which could have been shown as surrenders in the final estimates.)	1,01,39,85,000	95,35,53,362	—6,04,31,638
Grant No. 18.—Open Line Works—Development Fund The final grant included a supplementary grant of Rs. 4.10 crores chiefly in respect of adjustment of the cost of class III and class IV staff quarters forming part of schemes and allocated hitherto to the same heads of expenditure as the schemes themselves and accelerated progress of works (c. f. para 55). Consequent upon the decision taken after the voting of the supplementary grant by the Parliament, to transfer the aforesaid expenditure upto 31-3-1960 without financial adjustment, as also due to unforeseeable short-fall in the progress of certain works of Passenger and other Railway Users' Amenities towards the close of the year, the supplementary grant proved unnecessary. The ultimate saving under this grant was chiefly due to the aforesaid factors and had been foreseen to the extent of Rs. 4.70 lakhs at the time of, and shown as such, in the final estimates.	29,10,12,000	23,31,51,638	—5,78,60,362
Grant No. 19.—Repayment of loans from General Revenues and Interest thereon—Development Fund Due partly to the figures of actual loan being less than anticipated consequent upon increase in the amount of actual surplus available for appropriation to the Development Fund and partly to decrease in the actual rate of interest. The saving to the extent of 7.54 thousands was foreseen and shown as such in the revised estimates.	1,06,12,000	98,57,305	—7,54,695

Irregular Re-appropriation.

63. There were no cases of irregular re-appropriations from one grant to another.

Defects in Estimating and Control over Expenditure

64. A few cases have come to light, in which estimating could have been better. A list of the more important of these cases will be found in Annexure 'B' Part , 'I'

Expenditure classified differently in the Budget from the Accounts.

65. The more important cases, where the expenditure was booked under a grant different from that under which provision had been made in the budget, are detailed in Annexure B-Part II.

Wrong Booking of Expenditure.

66. A list showing important items of expenditure booked under other than the proper heads of accounts, has been given in Annexure 'J' to the Appropriation Account for 1960-61.—Part II.

SECTION V.—MISCELLANEOUS.

67. Block accounts, capital statements, balance sheets and profit and loss accounts, as usual have been prepared and are printed in pages 4 to 15 of the publication entitled 'Block Accounts' (including Capital Statements comprising the Loan Accounts), Balance Sheets and Profit and Loss Accounts of Indian Government Railways. Owing to non-closing of accounts for the period ending 14th August, 1947, the figures adopted in these statements are still provisional.

For facility of reference, the Block Account for 1960-61 for all railways is exhibited below in an abbreviated form and compared with the figures of previous year.

BLOCK ACCOUNT.

Part I—Capital Statement (Comprising Loan Account)

<i>Liabilities.</i>			<i>Assets.</i>		
			(In crores).		
	1959-60.	1960-61.		1959-60.	1960-61.
Government Capital—			Fixed Assets—		
(a) Specific Debit ..	82·72	82·72	(a) Assets acquired by purchase.	1,78·90	1,78·90
(b) Non-specific Debt	13,49·53	14,38·12	(b) Other assets ..	11,21·21	12,38·46
Total ..	14,32·25	15,20·84	Total ..	13,00·11	14,17·36
Other Capital—			Floating Assets	1,32·17	1,03·51
(a) Contribution by District Boards, etc.	·03	·03	Grand Total ..	14,32·28	15,20·87
Grand Total ..	14,32·28	15,20·87			

Part II.—Statement of Block Account including Loan Account.

<i>Liabilities.</i>			<i>Assets.</i>		
			(In crores).		
	1959-60.	1960-61.		1959-60.	1960-61.
1. Capital invested as in Part I—Capital Statement (comprising Loan Account) ..	14,32·28	15,20·87	1. Fixed and floating assets as in Part I—Capital Statement (comprising Loan Account)	14,32·28	15,20·87
2. Depreciation Reserve Fund ..	82·83	94·86	2. Assets financed from Depreciation Reserve Fund ..	82·83	94·86
3. Development Fund	1,43·22	1,67·22	3. Assets created out of Development Fund	1,43·22	1,67·22
4. Revenue (Open Line Works) ..	74·34	85·30	4. Assets created out of Revenue	74·34	85·72
Total ..	17,32·67	18,68·25	Total ..	17,32·67	18,68·25

68.—The capital-at-charge shown in the above statement of "Assets acquired by purchase includes a sum of Rs. 38 crores representing no tangible assets.

When the lines originally constructed and financed by guaranteed Railway Companies were acquired by government, the purchase price exceeded the book value of the assets taken over, the aggregate difference for all these railways purchased and charged to capital being Rs. 39·75 crores. Again, in financing the purchase, the Government incurred additional liabilities in the form of redemption charges to the extent of Rs. 1·85 crores while converting the Companies Annuities, Share Capital and Debentures into India Stocks. Besides, there is a sum of Rs. 23·92 crores representing the difference in exchange between the rate at which the sterling payments were converted into rupees and the rates prevailing at the time the items of expenditure were incurred, and another sum of Rs. 4·05 crores representing the difference between the purchase price and the book value of the assets taken over on the purchase of Bengal and North Western and the Rohilkhund and Kumaon Railway Companies as well as certain branch lines. These items aggregate Rs. 69½ crores, out of which a sum of Rs. 31½ crores was written off to revenue upto the end of 1923-24 through the medium of capital portion of the annuities or sinking fund payments charged to railway revenue expenditure upto that date, leaving a balance of Rs. 38 crores. No write-off has been effected subsequent to the separation of Railway Finance from General Finance.

The capital-at-charge in respect of other assets includes Rs. 4 crores on account of loss by exchange and Rs. 2·50 crores on account of interest charged to capital on certain railways.

69. The capital at charge of railways increased during the year by Rs. 88·58 crores, and stood at Rs. 15,20·87 crores.

The increase of Rs. 88·58 crores was made up of an increase in expenditure of Rs. 89·48 crores on acquisition of assets etc., *vide* details below, and a decrease of Rs. 90 lakhs on account of transfer without financial adjustment of outlay on certain works to Development Fund and revision of the provisional amount of capital-at-charge as on 15th August, 1947 and 1st April 1950 without financial adjustment.

(In lakhs.)

(a) Expenditure on construction of new lines and projects including D. B. K. and Railway Electrification Projects and excluding expenditure on floating assets	43,66
(b) Expenditure incurred on improvements of existing lines. ..	73,98
(c) Investment in road services	1,51
(d) Expenditure on floating assets	—28,66
(e) Reduction in capital on account of write-back of the original cost of assets retired during the year by transfer to depreciation reserve fund or revenue	—1,01
Total	89,48

70. The balance sheets as on 31st March, 1960 and 31st March, 1961 are given below in abbreviated form :—

(In crores).					
<i>Liabilities.</i>	1959-60.	1960-61.	<i>Assets.</i>	1959-60.	1960-61.
Total investment (as in the Block Account Statement)	17,32·67	18,68·25	Fixed and Floating assets (as in Block Account Statement) ..	17,32·67	18,68·25
Banking Account—			Banking Account as per contra		
(a) Railway and other provident and staff benefit funds etc. ..	1,58·36	1,76·08	Traffic Account ..	10·94	11·55
(b) Miscellaneous deposits	49·60	53·39	Miscellaneous Advances	8·48	7·85
(c) Festival and other Advances ..	1·16	1·48	Cash in hand	14·99	14·22
(d) Advances from Central Govt. for loans to railway employees	·82	1·30	Reserve funds and investments	97·82	92·38
(e) Advances to Port authorities ..	·07	·08	Railway deposits investment account Silver Jubilee of ex. G. B. S. Railway	·02	·02
Total Banking Account	<u>2,10·01</u>	<u>2,32·33</u>	Account with States ..	1·90	1·27
Depreciation Reserve Fund	37·30	19·80	Account with Pakistan Railway	—·15	·03
Railway Revenue Reserve Fund	51·61	53·45	Adjusting Account with Post & Telegraph ..	....	—·01
Development Fund ..	8·91	19·13			
Demands Payable ..	13·82	15·40			
Account current with other departments ..	22·19	19·36			
Loans from State Govt.	·17	·17			
Total ..	<u>20,76·68</u>	<u>22,27·89</u>	Total ..	<u>20,76·68</u>	<u>22,27·68</u>

71. The profit and loss accounts appended to the Appropriation Accounts show a net profit during 1960-61 as under :—

		Rs.
Commercial (Profit)		30,82,93,441
Strategic Loss		21,44,499
Net Profit		<u>30,61,48,942</u>

72. A statement of the stores accounts for the year 1960-61 will be found on page 69 of the Appropriation Accounts Part II, which gives, railwaywise, the opening and the closing balances and an account of the transactions during the year. The balances in this statement are still provisional, in the absence of final closing of the accounts for the period ending 14th August, 1947, the opening balances for the various railways as on the 15th August, 1947 continue to be tentative.

During the year under review, there has been a decrease of 14.09 crores in the stores balances resulting largely from the drive for reducing surplus and obsolete stores etc. A statement showing the balance of each railway as on 31st March, 1961 as also the corresponding balance at the close of the previous two years, is appended as Annexure E.

It will be seen from the details below that the decrease in the balance was chiefly under ordinary stores due mainly to less supplies on the railway as a result of the drive for reduction of stores balances referred to above.

	In crores.	
	on 31-3-60.	on 31-3-61.
Ordinary stores	84.26	71.91
Surplus stores	5.77	5.87
Special stores	8.78	6.97
Grainshop stores .. .. .	.17	.14
Total	98.98	84.89

GRAINSHOPS.

73. The grainshops during the year existed only on Eastern, North Eastern, Northeast Frontier and South Eastern Railways. The number of Railway ration card holders purchasing food-stuffs etc. at concessional rates, was 6,686 at the end of the year under report as compared to 11,311 at the end of the previous year. The number of grainshops at the close of the year also came down to 11(9 static and 2 mobile shops) from 15 at the end of the previous year (8 static and 7 mobile shops).

There was no ration card holder making purchases at non-concessional rates at the end of the year under report; the position was thus the same as at the end of the previous year. The average number of concessional ration card holders during the year under review was 8,999 as compared to 11,724 for the last year.

The value of stock in hand at beginning of the year under report was Rs. 17,29,377 and that at the end of the year was Rs. 14,44,736. Sales during the year amounted to Rs. 22,32,650 an average of about Rs. 186,054 per month or about Rs. 21 per ration card per month.

The loss during the year was about Rs. 43 lakhs which included an amount of about 9 thousands on account of lump sum payment made to staff on their opting out of the modified grainshop scheme during the year. The average cost of food grain concession per card holder per month was Rs. 40 against Rs. 50 during 1959-60. The loss during the earlier year 1959-60 was about Rs. 70 lakhs.

The Profit and Loss Account of the grainshops for the year 1960-61 will be found in pages 72 and 73 of the Appropriation Accounts of Railways in India Part II-Detailed Appropriation Accounts for the year.

RAILWAY CATERING.

74. A profit and loss account of the Catering Department has been compiled for the year under review and is in pages 74-75 of the Detailed Appropriation Accounts. The amount of net deficit for the year was about Rs. 4 lakhs.

WHARFAGE AND DEMURRAGE CHARGES.

75. The total amount of demurrage and wharfage charges which accrued during the financial year 1960-61 was Rs. 6,89,80,095 and the amount outstanding for collection at the end of the previous financial year was Rs. 2,42,76,942 making a total of Rs. 9,32,57,037. Of this, an amount of Rs. 1,57,53,960 or 16.9% of the total was waived or refunded; the corresponding percentage for the earlier years 1957-58, 1958-59 and 1959-60 being 16.1, 16.6 and 16.8% respectively.

INVESTMENTS.

76. A statement showing investments made by the Railways in share of private companies and statutory corporations will be found at page 67.....of the Appropriation Accounts of Railways in India Part II.

New Delhi,

S. Jagannathan,

Secretary to the Government of India,

The 1962.

27 FEB 1962

New Delhi,

Karnail Singh,

*Principal Secretary to the Government
of India. (Ministry of Railways).*

The 1962.

27 FEB 1962

ANNEXURE 'A'

Minor changes in forms and classification.

Changes in Form.

— Nil —

Changes in Classification.

1. With the separation of the balances of P&T Department from the civil with effect from 1st October, 1960 the transactions with or on behalf of that Department arising in Railway books were brought to account under the newly opened head "Adjusting account with P&T in "Section T-Remittances" instead of under the head "Accounts with States."

2. The existing minor head "Audit," under the Major head '15-D/E. Misc. Railway Expenditure' was to be treated as group minor head with the following three sub-minor heads thereunder :—

- (i) Cost of Railway Audit offices transferred from '26.—Audit';
- (ii) Pensionary charges of Railway Audit staff; and
- (iii) Other charges.

The expenditure relating to sub-minor head (i) was booked initially under the civil head '26-Audit' and then transferred to this sub-head. The expenditure booked under sub-minor heads (ii) and (iii) was not to be passed through the head '26-Audit' but adjusted directly in the Railway Accounts.

3. In connection with the recording of the following item of expenditure suitable detailed head of account was opened as indicated below :

- (i) 'Expenditure on contract labour employed on fuelling of engines -Abstract 'B'.

ANNEXURE 'B'.

(Paragraph 64).

Part I.—Defects in Budgeting and Control over Expenditure.*Grant No. 5.—Revenue—Working Expenses—Repairs and Maintenance.*

1. The Northern Railway did not surrender in the final estimates, provision in respect of cost of certain materials, freight charges etc. (Rs. 31,20,000).
2. The Western Railway did not surrender in the final estimates, provision in respect of cost of certain materials (Rs. 3,34,000).
3. The South Eastern Railway did not make in the final estimates, adequate provision in respect of freight charges etc. (13,27,000).

Grant No. 6.—Revenue—Working Expenses—Operating Staff.

4. The Northern Railway did not surrender in the final estimates, provision in respect of arrears of pay in the authorized scales in respect of certain staff (Rs. 3,47,000).
5. The South eastern Railway did not surrender in the final estimates, provision in respect of certain posts not operated (Rs. 3,00,000).

Grant No. 7.—Revenue—Working Expenses—Operation (Fuel).

6. The Northeast Frontier Railway did not make in the final estimates, adequate provision for adjustment of certain debits in respect of freight and handling charges on Fuel etc. (Rs. 23,39,000).

Grant No. 8.—Revenue—Working Expenses—Operation other than Staff and Fuel.

7. The Northeast Frontier Railway did not make in the final estimates provision in respect of certain debits for loss of Stores (Rs. 3, 06,000).

Grant No. 9.—Revenue—Working Expenses—Miscellaneous Expenses.

8. The Northern Railway did not surrender in the final estimates, provision in respect of bonus to staff (Rs. 4,18,000).

Grant No. 14.—Open Line Works—Other than Labour Welfare.

8. The Northern Railway did not surrender in the final estimates, provision in respect of signalling materials, (Rs. 8,48,000).

Grant No. 15.—Construction of New Lines.

10. The Northern Railway did not make in the final estimates, provision for adjustment of debits for certain materials already received (Rs. 5,09,000).

11. The Railway Electrification Project omitted to surrender in the final estimates, provision in respect of certain materials, equipment etc. (Rs. 34,67,000).

Grant No. 16.—Open Line Works—Additions.

12. The Northern Railway did not make in the final estimates, provision for cost of Railway land transferred to other departments (Rs., 9,72,000).

13. The Northern Railway in the final estimates made provision in respect of Stores in transit on gross basis instead of net (Rs. 1,11,71,000).

14. The Northeast Frontier Railway did not surrender in the final estimates, provision in respect of debits for cost of sleepers (Rs. 19,32,000).

15. The Western Railway did not surrender in the final estimates provision in respect of certain materials (Rs. 8,38,000).

Grant No. 17.—Open Line Works—Replacements.

16. The Northern Railway did not surrender in the final estimates, provision in respect of certain materials (Rs. 21,25,000).

ANNEXURE 'B'.

(Paragraph 65.)

Part II—Control over Expenditure.*Grant No. 9.—Revenue—Working Expenses—Miscellaneous Expenses.*

1. The Northern Railway made provision in respect of security patrolling under Grant 5; the expenditure was correctly adjusted under the grant to which it related (Rs. 3,48,000).

Grant No. 17.—Open Line Works—Replacements.

2. The Northern Railway made provision for certain works under grant 14 (Rs. 14,27,000) and grant 18 (Rs. 9,21,000); the expenditure was correctly booked under this grant to which it related (Rs. 23,48,000)

ANNEXURE 'C'.

(Paragraph 10).

Statement showing percentage of working expenses to earnings in respect of the Indian Railways for the year 1958-59, 1959-60 and 1960-61.

<u>Railway.</u>	<u>1958-59</u>	<u>1959-60</u>	<u>1960-61.</u>
Central	75·87	69·86	68·15
Eastern	83·27	75·22	76·62
Northern	78·90	78·20	81·45
North Eastern	1,17·25	1,42·64	1,17·72
Northeast Frontier.. .. .	1,35·18	1,37·43	1,41·90
Southern	92·77	89·05	88·78
South Eastern	71·21	66·16	64·61
Western	74·08	73·42	72·63

The percentage of working expenses to earnings for 1960-61 for the Railways as a whole, compared as follows with the corresponding percentages for the two previous year :—

1958—59	82·72
1959—60.. .. .	79·54
1960-61	78·75.

The percentage of working expenses to earnings for the Railways as a whole is 78·75 (*vide* paragraph 9) as compared to 79·54 for the previous year. The earnings for the year under review had improved by Rs. 35 crores and this was accompanied by an increase of about Rs. 24 crores only in working expenses and the year under review recorded a decrease of ·79 in the percentage under consideration.

The increase in the percentage on the Northeast Frontier Railway was due mainly to increase in working expenses resulting from implementation of the accepted recommendations of Pay Commission, adjustment of arrear freight charges on coal etc.

ANNEXURE 'D'

Statement showing gross earnings, working expenses (ordinary Working expenses and appropriation to depreciation reserve fund separately) net receipts and net gain or loss railway by railway for the year 1958-59, 1959-60 and 1960-61.

In Lakhs

Railways.	Gross Earnings (a).			Ordinary Working (b) Expenses.			Appropriation to Depreciation Reserve Fund.			Net Receipts.			Net gain (+) or loss (-).		
	1958-59	1959-60	1960-61	1958-59	1959-60	1960-61	1958-59	1959-60	1960-61	1958-59	1959-60	1960-61	1958-59	1959-60	1960-61
	1. Central	73,59	81,28	89,74	47,41	48,65	53,40	8,43	8,13	7,76	18,42	24,63	28,41	+8,11	+13,13	+16,63
2. Eastern	54,60	60,97	65,24	38,98	39,45	43,11	6,48	6,42	6,88	8,69	15,72	15,46	+1,14	+7,02	+7,18
3. Northern (Commercial) ..	60,36	63,09	64,28	40,62	42,33	45,60	6,85	6,86	6,75	12,91	13,58	12,02	+2,51	+2,10	+1,16
4. Northern (Strategic)	17	20	18	15	17	27	14	14	13	-12	-10	-21	-12	-10	-21
5. North Eastern	18,88	16,36	20,81	19,36	20,63	21,86	2,77	2,70	2,64	-2,21	-7,19	-3,50	-5,82	-11,20	-7,81
6. Northeast Frontier	12,39	13,04	13,28	14,48	15,77	16,61	2,27	2,16	2,23	-5,18	-5,00	-5,21	-8,01	-8,17	-8,67
7. Southern	54,77	58,64	62,86	44,64	46,21	49,84	6,17	6,01	5,97	4,49	6,66	7,12	-2,93	-1,99	-92
8. South Eastern	51,14	58,38	65,74	30,76	32,43	36,06	5,65	6,19	6,41	13,85	20,23	23,81	+6,76	+11,87	+15,52
9. Western	64,87	70,40	75,44	41,83	45,30	48,57	6,24	6,39	6,23	17,92	19,18	20,66	+9,60	+9,69	+11,81
10. Miscellaneous .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	-2,31	-2,23	-2,72
Total ..	3,90,77	4,22,34	4,57,57	2,78,23	2,90,94	3,15,32	45,00	45,00	45,00	68,77	87,71	98,56	+8,93	+20,12	+32,01

The gain during the year under report showed an increase as compared to the previous year, resulting mainly from improvement in receipts.

(a) Excludes Suspense.

(b) Excludes Suspenses, Payments to worked lines and Appropriation to Depreciation Reserve Fund.

ANNEXURE 'E'

(Paragraph 72).

Stores Balances.

(In lakhs).

Railways.	1958-59.	1959-60.	1960-61.
Central	21,60	17,01	14,17
Eastern	15,13	13,16	11,88
Northern (Commercial)	14,99	13,70	10,90
Northern (Strategic)	3	3	2
North Eastern	9,16	8,69	8,39
Northeast Frontier	3,54	4,36	3,55
Southern	12,92	11,26	9,69
South Eastern	16,12	12,11	10,89
Western	12,09	10,16	8,42
Chittaranjan Locomotive Works	5,28	5,12	3,88
Integral Coach Factory	2,95	2,54	2,13
Ganga Bridge Project	18	(a)	....
Railway Electrification	88	65	82
Locomotive Component Works	12	19	14
Total ..	1,14,99	98,98	84,89*

* Difference in totals is due to rounding off.

(a) Merged in the balance of the Eastern Railway.

ANNEXURE 'G.'

Principal Statistics of Indian Government Railways for the year 1957-58
1958-59, 1959-60 & 1960-61.

Serial No.	Items.	1957-58.	1958-59.	1959-60.	1960-61.
<i>General.</i>					
1.	Total route mileage on 31st March	+34,463·27	34,636·25	34,768·52	34,950·31
2.	Total capital-at-charge for the system i.e., both State owned and other than State-owned open lines and on lines wholly or partly under construction (in lakhs of rupees)	11,69,13	12,94,81	13,70,32	14,40,18
3.	Gross earnings (in lakhs of rupees)	3,81,42	3,90,77	4,22,36	4,57,57
4.	Working Expenses (in lakhs of rupees)	3,09,76	3,23,23	3,35,94	3,60,32
5.	Percentage of working expenses to gross earnings	81·21	82·72	79·54	78·75
6.	Net earnings (in lakhs of rupees)	71,66	67,54	86,42	97,25
7.	Percentage of net earnings on total capital-at-charge	6·13	5·22	6·31	6·75
<i>Passenger traffic.</i>					
8.	No. of passengers carried (in millions)	1,458	1,484	1,574	1,665
9.	Earnings from passengers carried (in lakhs of rupees)	1,19,10	1,16,74	1,25,61§	1,31,59
10.	Total passenger miles (all classes in millions)	43,043	42,263	45,863	48,335
11.	Average number of miles all classes of passengers were carried	30·1	29·7	30·4	30·3
12.	Passenger miles per route mile per annum	1,248,997	1,220,208	1,319,077†	1,382,593
<i>Goods traffic.</i>					
13.	Tons carried (all traffic) (in millions)	+202	209	224	239
14.	Earnings from goods carried (in lakhs of rupees)	2,25,20	2,36,40	¶2,55,43	¶2,80,48
15.	Total net ton miles, goods traffic including coal (in millions)	+4,56,10	+46,767	50,151	53,667
16.	Average miles a ton of goods was carried	331	+345	348	350
17.	Freight ton miles per route miles per annum	+1,323,440	+1,350,236	†1,442,445	1,535,105
18.	Gross earnings per mean mile worked per week	2,24,96	2,293·3	2,472·8	2,669·4
19.	Working expenses per mean mile worked per week	1,850·3	1,918·7	1,996·4	2,136·8
20.	Gross earnings per train mile	18·1	18·3	19·2	20·4
21.	Working expenses per train mile	14·9	15·3	15·5	16·3
22.	Net earnings per train mile	3·21	2·98	3·70	4·07
<i>Engine usage.</i>					
23.	Engine miles per engine on line steam.—				
	B. G.	84	83	82	83
	M. G.	74	73	73	74
<i>Wagon usage.</i>					
24.	Average number of wagon owned (in units).—				
	B. G.	1,83,314	1,95,384	2,00,989	2,04,104
	M. G.	80,525	83,798	83,894	82,924
25.	Average wagon load during the run (in all tons) all traffic.—				
	B. G.	16·8	17·5	17·7	18·2
	M. G.	9·67	+9·72	9·98	10·2

Cost of staff represents pay, dearness allowance, value of grainshop concessions, travelling allowance and compensatory allowance, passages pensionary benefits fund provisional and gratuity.

† Revised figures.

¶ The total figure includes an arrear debit adjustment of Rs. 20,694(000) relating to earlier years.

‡ Includes an arrear credit adjustment of Rs. 36,46(000) relating to earlier years.

§ The total figure includes an arrear debit adjustment of Rs. 8503 (000) relating to 1958-59.

*The total figure includes an arrear debit adjustment of Rs., 1,29,61 (000) relating to 1959-60.

ANNEXURE 'G'—Contd.

Serial No.	Items.	1957-58.	1958-59.	1959-60.	1960-61.
<i>Staff.</i>					
26.	Total number of staff (open line)	1,008,124	1,120,893*	1,223,326*	1,127,969
27.	Cost of staff for open lines and construction staff (in lakhs of rupees)	1,70,43§	1,80,52§	1,85,04@	2,00,04@
28.	Percentage of cost of staff (item 27) to gross earnings (item 3)	44.7	46.2	43.8	43.7
29.	Percentage of cost of staff (item 27) to working expenses (item 4)	55.0	55.8	55.1	55.5
<i>Coal Consumption.</i>					
30.	Total consumption (thousands of tons)	14,119	14,897*	15,689*	16,440
<i>Lbs. of coal consumption per 1,000 gross ton miles.</i>					
31.	Passenger and proportion of mixed.—				
	B. G.	183.1	185.6	186.6	188.9
	M. G.	207.9	215.9*	215.7	209.1
32.	Goods and proportion of mixed.—				
	B. G.	149.2	147.0	144.9	144.2
	M. G.	177.8	188.5*	193.4	191.4
<i>Equipment.</i>					
33.	Total Locomotives—(all gauges).—				
	(a) Steam including sentinel and Clayton types	9,801*	10,023*	10,148*	10,312
	(b) Diesel electric	96¶	171¶	181†	186†
	(c) Electric	89	92	91	131
34.	Total tractive effort (in lbs.) (thousands)—(all gauges)				
	(a) Steam (including sentinel and Clayton types)	249,934	258,630*	265,784*	272,172
	(b) Diesel electric	2,570¶	5,899¶	6,638¶	6,867¶
	(c) Electric	2,972	3,084	3,110	4,670
35.	Total Passenger carriage for public use (in units).—				
	B. G.	8,751	9,330	9,887	10,384
	M. G.	7,660	8,227	8,572	8,874
36.	Total Goods vehicles for public use (in units).—				
	B. G.	194,808	203,825	206,779*	210,842
	M. G.	82,961	85,977*	85,280	84,951
37.	Total capacity (in thousands of tons) excluding special ¶ wagons.—				
	(a) Covered wagons—				
	B. G.	2,394	2,481	2,491	2,544
	M. G.	893	903	891	874
	(b) Open wagons high sided—				
	B. G.	1,360	1,404	1,424*	1,501
	M. G.	238	272*	269*	268
	(c) Open wagons low sided—				
	B. G.	53	46	39*	38
	M. G.	60	48	47*	48

† Includes military cars dining cars saloons Royal and State and reserved carriages.

(a) Does not include brake vans used indiscriminately on passenger mixed or goods services.

* Revised Figures.

¶ Includes figures of Diesel Hydraulic Mechanical as well.

§ Includes G. B. P. and C. E. P.

‡ Includes Brake Vans.

@ Includes C. E. P. and D. B. K. Project.