



17/3/61

APPROPRIATION ACCOUNTS
OF
RAILWAYS IN INDIA
FOR 1959-60.

PART I—REVIEW

Issued by
THE RAILWAY BOARD.

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Corrigenda

Appropriation Accounts of Railways in India for 1959-60.

Part I—Review

- Page 2, para 8(3), line 6 ; *read* '21.42' for '21.64'.
- Page 12, table above para 3 ; *read* '45,00,00' for '45,00,000'.
- Page 16, 1st line, *insert* '40 and 41' after 'paras' and *delete* 'to' ; 2nd line, *insert* '42' after 'paras'.
- Page 17, grant 16, against Eastern, *read* '16,43' for '16,32' ; grant 17 against Northern *read* '7' for '17'.
- Pages 20 and 21, paras 42(3) and 42(ii) lines 7 and 4, *read* 'lakhs' for 'lrkhs'.
- Page 21, para 42(iii), *read* '6' for '7'.
- Page 22, table under '3 Miscellaneous'—'Stores Suspense', *read* '2,07,76' for '207'.
- Page 23, para 44(e), line 1, *read* '15,81' for '14,20'.
- Page 24, para 47, third column of table, *read* '296' for '2986'.
- Page 28, para 55, Appropriation No. 5, 15 and 16 ; *delete* towards the close of the year' and *add* 'for which provision was not made'.
- Page 29, para 56, under grant no. 13, *add* 'due to the results of re-phasing of certain works etc.'
- Page 30, para 56, grant 15, line 6 ; *read* '23.41' for '23.49'.
- Page 30, para 56, grant 15, *add* 'debits of about 10 lakhs were taken under this grant instead of under Deposits ;' and grant 20, *read* '1,06,24,799' for '10,62,47,990'.
- Page 34, para 69, Liabilities 1959-60, *read* '22.19' for '25.14' against Account current with other departments.
- Page 40, Annexure D, total column 4, *read* '4,22,36' for '4,22,34'.
- Page 41, Annexure E, line 15, *read* 'Railway Electrification for 'Main Line'.
- Page 42, line 11, column 3, *read* '30.5' for '30.1'.

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REVIEW OF THE APPROPRIATION ACCOUNTS OF RAILWAYS IN INDIA FOR 1959-60.

INTRODUCTORY.

The year under review did not witness any significant administrative change or organisational change such as was reported in the corresponding section of the Appropriation Accounts of Railways in India for 1958-59 part I-Review.

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 result 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.

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.

FINANCIAL RESULTS.

3. 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.

4. The gross traffic receipts during the year 1959-60 amounted to Rs. 4,22.34 crores or Rs. 31 lakhs more than the budget estimate of Rs. 4,22.03 crores. It will be observed from the details given in paragraph 14 that the increase occurred under 'passenger earnings' (Rs. 7.31 crores), 'other coaching earnings' (Rs. 1.41 crores), 'sundry other earnings' (Rs. 2.45 crores) and suspense (Rs. 1.22 crores) and was partly offset by decrease under 'goods earnings' (Rs. 12.08 crores).

5. The ordinary working expenses, excluding appropriation to depreciation reserve fund and payments to worked lines, amounted to Rs. 3,34.35 crores and were Rs. 3.75 crores more than the budget estimate of Rs. 3,30.60 crores. The increase occurred under grant 5 (Rs. 32 lakhs), grant 7, (Rs. 4.12 lakhs), and grant 8 (Rs. 2.28 lakhs) but was partly offset by saving under grant 4 (Rs. 52 lakhs), grant 6 (Rs. 37 lakhs) grant 9 (Rs. 1.43 lakhs) and grant 10 (65 lakhs).

The provision for appropriation to depreciation reserve fund was maintained at Rs. 45 crores.

Explanations for variations between the budget and the actuals under the various revenue working expenses grants are given in paragraph 23 *et. seq.*

6. The budget, anticipated a surplus of Rs. 21.19 crores which was proposed to be taken wholly as credit to the Development Fund as in the previous years. The surplus expected in the revised estimates was Rs. 14.75 crores, but the year actually closed with a surplus of Rs. 20.12 crores which was appropriated wholly to the Development Fund.

7. The operating ratio for the year 1959-60 was 79·54, against 82·72 for the previous year. A statement showing similar percentages of working expenses to earnings of individual railways will be found as annexure 'C'.

8. The capital at charge of railways increased during the year by Rs. 75·69 crores, and stood at Rs. 14,32·28 crores.

The increase of Rs. 75·69 crores was made up of an increase in expenditure of Rs. 74·69 crores on acquisition of assets etc., *vide* details below, and of Rs. 1·00 crore chiefly on account of transfer of outlay on certain works for development Fund to capital and revision of the provisional amount of capital-at-charge as on 15th August, 1947 and 1st April 1950 without financial adjustment.

Of the expenditure of Rs. 74·69 crores, a sum of Rs. 26·38 crores was on construction of new lines and projects including the Ganga Bridge and Calcutta Electrification Projects, Rs. 66·38 crores on open line works (of the latter a sum of Rs. 35·59 crores was spent on rolling stock and a sum of Rs. 30·79 crores on works) and Rs. 1,17 lakhs on investment in road services. Besides these, there was a decrease of expenditure of Rs. 19·24 crores under 'Floating Assets' comprising of a decrease of Rs. 21·64 crores under 'Stores' and Rs. 1·45 crores under 'Manufacture Suspense' with an increase of Rs. 3·63 crores under 'Miscellaneous Advances' Capital.

SECTION II.

CHANGES IN FORM AND CLASSIFICATION OF ACCOUNTS.

9. The monetary limits for listing individually the items of important works in Annexure 'D' (Statement of Important Open Line Works and New Constructions) to the detailed Appropriation Accounts, were revised as under during the year under report :—

(i) Part A-I—Works for which specific provision was made in the budget—monetary limit raised from Rs. 20 lakhs to Rs. 50 lakhs.

(ii) Part A-II—Works for which specific provision was not made in the budget—monetary limit raised from Rs. 5 lakhs to Rs. 20 lakhs.

(iii) Part B—Statement of variations between original estimate and expenditure, in respect of works completed during the year—monetary limit raised from Rs. 20 lakhs to Rs. 50 lakhs.

10. The monetary limit of listing individually the items of unsanctioned expenditure in Annexure 'A'—(Statement of Unsanctioned Expenditure) to the detailed Appropriation Accounts-Part II was raised to Rs. 10 lakhs from the year under review ; items of Rs. one lakh each or more which were three years old or more, were, however, listed individually as hitherto.

11. The changes mentioned in the preceding paragraphs were made with the concurrence of Audit.

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

SECTION III.

DETAILED REVIEW OF RECEIPTS AND EXPENDITURE FOR 1959-60.

13. The following statement compares the actual results of 1959-60 with the budget and revised estimates :—

	(In lakhs).		
	Budget Estimates.	Revised Estimates.	Actuals.
Traffic Receipts (less refunds)	4,22,03	4,22,03	4,22,34
Working Expenses (including depreciation and payments to worked lines) ..	3,28,82	3,37,00	3,34,63
Net Traffic Receipts	93,21	85,03	87,71
Miscellaneous Receipts	12	99	1,26
Miscellaneous Expenditure [including rebate paid to worked lines and Open Line Works (Revenue)]	17,73	16,77	14,42
Net Miscellaneous Receipts	-17,61	-15,78	-13,16
Net Revenue	75,60	69,25	74,55
Dividend to General Revenues	54,41	54,50	54,43
Surplus	21,19	14,75	20,12

Note.—The figures against 'Working Expenses' and 'Miscellaneous Expenditure' in the above statement are net i.e., inclusive of the element, of 'credits or recoveries' excluded from the scope of the Demands for Grants (gross).

TRAFFIC RECEIPTS.

14. The details of traffic receipts during 1959-60 are given below :—

	(In lakhs).		
	Budget Estimates.	Revised Estimates.	Actuals.
Passenger earnings	1,18,30	1,24,08	1,25,61
Other Coaching earnings	24,00	25,20	25,41
Goods earnings	2,72,58	2,64,00	2,60,50
Sundry other earnings	8,40	10,00	10,85
Suspense	-1,25	-1,25	-3
Total	4,22,03	4,22,03	4,22,34

15. The actual gross receipts were 31 lakhs more than the budget figures of 4,22,03 crores. The increase was under passenger earnings (Rs. 7.31 crores), other coaching earnings (Rs. 1.41 crores), sundry other earnings (Rs. 2.45 crores) and suspense (Rs. 1.22 crores); partly reduced by decrease under goods earnings (Rs. 12.08 crores).

MISCELLANEOUS RECEIPTS.

16. The figures of actual miscellaneous receipts are given below :—

	(In lakhs).
Share of surplus profits from branch lines etc.	1
Other miscellaneous receipts	1,25
Total	1,26

EXPENDITURE.

17. 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 55—56 of Section IV give a comparison of the actual 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 also.

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—Miscellaneous Charges—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.

18. The final results have been compared—as in the previous years—broadly with budget anticipations (*vide para 19 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. 4—Administration, No. 5—Repairs and Maintenance, No. 8—Operation other than Staff and Fuel, No. 9—Miscellaneous Expenses, No. 15—Construction of New Lines and No. 16—Open Line Works—Additions. As in the past, the 'voted' and 'charged' expenditure is considered as a whole, except where an excess under the one or the other makes a separate explanation necessary.

A.—WORKING EXPENSES.

19. This group includes grants 4 to 11.

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 ..	35,47	35,75	35,20	34,95
	Charged ..	.....	.....	.....	A
	Total ..	35,47	35,75	35,20	34,95
Grant No. 5.—Repairs and Maintenance	Voted ..	1,09,89	1,12,39	1,11,23	1,10,21
	Charged ..	.....	.....	.....	B
	Total ..	1,09,89	1,12,39	1,11,23	1,10,21
Grant No. 6.—Operating Staff	Voted ..	66,27	66,88	66,37	65,90
Grant No. 7.—Operation (Fuel)	Voted ..	62,45	66,28	66,28	66,57
Grant No. 8.—Operation other than staff and Fuel.—	Voted ..	20,56	22,65	22,65	22,87
	Charged ..	67	78	67	64
	Total ..	21,23	23,43	23,32	23,51
Grant No. 9.—Miscellaneous Expenses	Voted ..	26,01	26,01	25,30	24,59
	Charged ..	4	5	3	3
	Total ..	26,05	26,06	25,33	24,62
Grant No. 10.—Labour Welfare	Voted ..	9,24	9,35	8,90	8,59
Total Ordinary Working Expenses	Voted ..	3,29,89	3,39,31	3,35,93	3,33,68
	Charged ..	71	83	70	67
	Total ..	3,30,60	3,40,15*	3,36,63	3,34,35
Grant No. 11.—Appropriation to Depreciation Reserve Fund .. .. .	.. .. .	45,00	45,00	45,00	45,00
Total Working Expenses	Voted ..	3,74,89	3,84,31	3,80,93	3,78,68
	Charged ..	71	83	70	67
	Total ..	3,75,60	3,85,15*	3,81,63	3,79,35

A .. Rs. 76.
B .. Rs. 8,189.

* Difference in total is due to rounding off.

20. 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.	Budget.	Final less surrenders or withdrawals	
1957-58	2,84,45,98	3,01,12,26	2,99,87,32	3,06,21,84	7.6	1.6
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

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

Railways.	(In thousands).		
	Budget Estimates.	Final Appropriation.	Actual Expenditure.
Central	55,04,95	58,43,02	58,15,73
Eastern	48,21,70	49,34,65	48,74,98
Northern	50,86,84	50,32,97	50,71,00
Northern Eastern	22,20,77	22,56,76	22,24,89
Northeast Frontier	17,19,09	17,91,77	17,71,58
Southern	49,83,10	50,93,57	50,15,17
South Eastern	39,13,81	37,99,99	37,78,59
Western	48,09,87	49,10,37	48,82,81
Miscellaneous .. .. .	....	....	....
Total ..	3,30,60,13	3,36,63,10	3,34,34,75
Surrenders or withdrawals within grant or appropriation ..	....	3,51,83	....
Total ..	3,30,60,13	3,40,14,93	3,34,34,75

22. As would be observed from the table in para 19, the actual ordinary working expenses of 3,34.35 crores exceeded the original budget by about 3.75 crores. The excess was about 32 lakhs under grant 5, 4.12 crores under grant 7, 2.28 crores under grant 8 but was offset by savings under grant 4(52 lakhs), grant 6(37 lakhs), grant 9(143 lakhs) and grant 10(65 lakhs).

To cover the excesses, supplementary grants amounting to 9.43 crores were obtained from parliament, and supplementary appropriations amounting to 12 lakhs were sanctioned but these turned out to be somewhat in excess of the actual requirements.

The variations under each of the grants in the group "working expenses" are explained in the succeeding 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.
1957-58	30,71,16	31,75,07	31,75,07	32,21,62	4.9	1.5
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

23. The actual expenditure of 34.95 lakhs was less than the budget by about 52 lakhs. A supplementary grant of about 28 lakhs was obtained from the Parliament, but it proved to be unnecessary largely due to economy measures notified in February 1959 by way of banning or curtailing creation and filling of posts—the effect of which could not be precisely foreseen until after the close of 1959-60.

The saving of 52 lakhs over the original budget resulted from certain posts not filled due to measures of economy etc. (39 lakhs), pay and allowances of certain staff provided for under this grant adjusted under other grants as a result of change in allocation (21 lakhs) and aggregate of other minor variations (5 lakhs). Against these savings, there was an excess on account of variations in contingent office expenditure on account of increased consumption of stationery etc. (13 lakhs).

The expenditure under this grant includes an amount of about Rs. 17 thousands 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.

Grand 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.
1957-58	93,91,98	1,00,72,92	1,00,72,92	1,04,60,89	11.4	3.9
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

24. The actual expenditure was about 32 lakhs more than the budget of about 1,09,89 lakhs. This included a small excess of 8 thousand under 'charged' representing certain decretal payments for which provision did not exist.

A supplementary grant of about 2,50 lakhs was obtained from parliament but it proved excessive by about 2,18 lakhs, leaving only increase of 32 lakhs over the budget which was chiefly due to :—

		(In lakhs).
(i)	Expenditure on repairs of track, bridges and other assets necessitated by floods etc	27
(ii)	Adjustment of debits on account of undercharges and overcharges on cost and manufacture and repairs (17 lakhs) and those through stock adjustment account (7 lakhs) and	24
(iii)	Omission to make provision in respect certain materials, debits etc., (8 lakhs), adjustment of debits on account of carriage of revenue stores resulting from increased movement of ballast trains etc. (7 lakhs) and other minor items (5 lakhs)	20
Total		71

Against these increases, there was a saving under repairs and maintenance of rolling stock etc. consequent upon utilisation of reclaimed materials etc. (39 lakhs).

Grant No. 6.—Operating Staff.

Year.	(In thousands).			Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Budget.	Final less surrenders or withdrawals.
1957-58	59,39,18	61,59,05	60,76,84	2.2	-1
1958-59	63,80,97	64,69,50	64,47,39	.6	-4
1959-60	66,27,11	66,88,11	66,36,90	-6	-7

25. The actual expenditure of about 65,90 lakhs fell short—by about 37 lakhs—of the budget of about 66,27 lakhs. A supplementary grant of 61 lakhs which was taken thus proved to be unnecessary.

The saving was due to increase in goods traffic not conforming to the anticipations as a result of which additional staff was not engaged to the extent anticipated—a fact not fully assessable when the supplementary demand was framed. This accounted for a saving of 40 lakhs and was partly offset by a small increase of 3 lakhs representing aggregate of minor variations. A decrease of about 4 lakhs on account of non-filling of certain posts was not shown in the final appropriation.

Grant No. 7.—Operation (Fuel).

Year.	(In thousands).			Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Budget.	Final less surrenders or withdrawals.
1957-58	50,76,06	53,85,67	53,85,67	7.1	.9
1958-59	57,21,34	59,58,42	59,39,11	4.1	.3
1959-60	62,44,52	66,27,96	66,27,96	6.6	.4

26. The actual expenditure exceeded the budget grant of about 62,45 lakhs by about 4,12 lakhs. A supplementary grant of about 3,83 lakhs was obtained to meet this increase in expenditure but it proved to be inadequate to the extent of about 29 lakhs.

The aforesaid increase resulted from the following items of expenditure of unavoidable character not foreseen at the time of the budget :—

(In lakhs).

(i) Increase in consumption of coal as well as other fuel as a result of unavoidable variations in actual requirements, supply of inferior grade coal etc. (1,33 lakhs) and consequently increased freight etc. charges actually incurred (1,46 lakhs)	2,79
(ii) Post-budget enhancement in the price of coal (36 lakhs) and in the rates of excise duty on coal etc (36 lakhs)	72
(iii) Increased cost of generating power in the Chola Power House to meet the temporary additional requirements of Tatas, and	45
(iv) Aggregate of minor variations, including fluctuations in adjustments in respect of losses on fuel	16
Total	4,12

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

Year.	(In thousands).				Percentage variation from.	
	Budget Estimates.	Final Appropriations.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1957-58	17,25,57	18,45,39	18,38,22	19,63,70	13·8	6·8
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

27. The actual expenditure of about 23,51 lakhs was more than the budget by about 2,28 lakhs. This increase comprised an increase of 2,31 lakhs under voted grant, and a decrease of 3 lakhs under charged Appropriation. A supplementary grant of 2,09 lakhs and a supplementary appropriation of about 11 lakhs were obtained to meet this increase in expenditure. The former proved inadequate to the extent of about 22 lakhs, while the latter proved to be unnecessary.

The chief causes of excess, which included an excess of 45 lakhs under suspense, were as under:—

	(In lakhs).
(i) Increase under payments on account of compensation claims for goods lost or damaged resulting from settlement of arrear claims, clearance of transactions relating to inter-railway liabilities, etc. (33 lakhs) and payments in respect of compensation taken under suspense pending settlement of inter-railway liability (45 lakhs)	78
(ii) Increased consumption of stores, clothing, stationery etc. and increase in prices of materials	71
(iii) Increased expenditure on electrical services, resulting from post-budget increase in the rates of energy purchased from outside supply agencies, increase in the price of coal leading to increased cost of generation, progressive increase in electric installations in stations, quarters, etc.	66
(iv) Adjustment of heavier debits on account of carriage of revenue stores, not foreseeable at the time of budget (19 lakhs) and other minor variations (5 lakhs)	24
Total	2,39

The above increase were partly offset by the savings resulting from fluctuations in expenditure on account of handling collection and delivery of goods resulting from the volume of traffic handled, etc. falling short of anticipation (8 lakhs).

There was a small decrease of 3 lakhs under 'charged' appropriation.

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 withdrawal
1957-58	25,24,37	27,36,92	27,20,97	27,51,08	9.0	1.1
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

28. The actual expenditure of about 24,61 lakhs was about 1,43 lakhs less than the budget. This decrease was made up of a decrease of 1,42 lakhs under 'voted' grant and that of 1 lakh under 'charged' appropriation.

A supplementary appropriation of about 2 lakhs was obtained, but it proved to be unnecessary.

The saving of 1,43 lakhs was made up of a saving of 2,45 lakhs under 'Suspense', and an excess of 1,02 lakhs under final heads.

The saving under 'Suspense' was made up of a saving of 1,82 lakhs under 'Miscellaneous Advances' mainly on account of the transactions adjusted to the final heads direct instead of passing through this head and being more than anticipated [includes erroneous adjustment under this head of balance outstanding under, 'Transfer] Divisional' (11 lakhs) and amount adjustable under Miscellaneous Advances (Capital) (2 lakhs) / and of 63 lakhs under, 'Demands Payable' on account of improvement in the adjustment of revenue liabilities to final heads.

The excess of 1,02 lakhs under final heads was due to :

	(In lakhs.)
(i) Improvement in the settlement and payment of pensionary charges including those thrown forward from the previous year	49
(ii) Payment of contribution to provident fund having exceeded the original anticipation as a result of adjustment of retrospective bonus and interest thereon	32
(iii) Expansion in the activities of Catering Department, which involved more purchases, and also increase in prices of foodstuff etc. and	20
(iv) Accelerated progress in the payment of gratuity and special contribution to provident fund as a result of expeditious settlement of claims	16
Total	1,17

The above excesses were partly offset by the saving due to fluctuations in expenditure in respect of freight and other incidental charges etc., which are not precisely assessable at the time of budget (14 lakhs).

There was a small decrease of one lakh under 'charged' appropriation. A decrease of about 4 lakhs in respect of certain bills for catering stores was not shown in the final appropriation.

Grant No. 10.—Labour Welfare..

Year.	(In lakhs).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1957-58	7,17,66	7,37,24	7,17,63	7,17,56	....	....
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

29. The actual expenditure was about 66 lakhs less than the budget of about 9,24 lakhs. A supplementary grant of about 11 lakhs was taken but proved to be unnecessary. The saving under this grant resulted chiefly from economy measures during the year already referred to under grant No. 4 (para 23 ante) which accounted for a decrease in expenditure amounting to 59 lakhs; the balance of the saving of 7 lakhs was made up of unavoidable minor variations.

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 surrenders or withdrawals.
1957-58	45,00,000	45,00,000	45,00,000	45,00,000	....	....
1958-59	45,00,000	45,00,000	45,00,000	45,00,000	....	....
1959-60	45,00,000	45,00,000	45,00,000	45,00,000	....	....

30. 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 surrenders or withdrawals.
1957-58	43,26	43,26	31,66	31,80	-26.5	.4
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

31. The actual expenditure of 21.27 lakhs exceeded the budget by 1.50 lakhs. This was made up of an excess of 3.23 lakhs under 'Subsidy and Rebate,' and a saving of 1.73 lakhs under 'Net earnings payable to worked lines.'

The excess under 'Subsidy and Rebate' occurred chiefly on the South Eastern (2.03 lakhs) and the Eastern (90 thousand) Railways owing to more payment of subsidy, including that relating to the previous year.

The saving under 'Net earnings payable to worked lines' occurred chiefly on the Central Railway due to reduction in earnings of the worked lines consequent upon breaches on the Central Railway (1.12 lakhs) and reduction on the Southern Railway mainly as a result of certain write-back adjustments during the year (94 thousand).

C.—MISCELLANEOUS EXPENDITURE.

32. The expenditure under this group is shown under four grants, *viz.*, 1, 2, 13 & 14. The total miscellaneous expenditure of 14,43·74 lakhs was 3,26·61 lakhs less than the budget of 17,70·35 lakhs *vide* details below :—

	(In thousands).				
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	
Grant No. 1.—Railway Board	86,54	86,54	84,13	83,89	
Grant No. 2.—Miscellaneous Expenditure ..	{ Charged	3,00	3,00	3,00	
	{ Voted ..	1,78,45	1,92,09	1,78,41	1,74,34
Grant No. 13.—Open Line Works—Labour Welfare ..	1,31,83	1,31,83	1,24,78	1,23,09	
Grant No. 14.—Open Line Works—Revenue—Other than Labour Welfare	13,70,53	13,70,53	11,53,42	10,59,43	
Total	{ Voted ..	17,67,35	17,80,99	15,40,74	14,40,75
	{ Charged	3,00	3,00	3,00	3,00
Grand Total ..	17,70,35	17,83,99	15,43,74	14,43,75	

The saving was under grant 14(3,11·10 lakhs), grant 13 (8·75 lakhs), grant 2(4·11 lakhs) and grant 1(2·65 lakhs).

Grant No. 1.—Railway Board.

Year.	(In thousands).				Percentage variation from	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrender or withdrawals.
1957-58	71,48	79,27	79,27	79,24	10·89	....
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

33. The actual expenditure was 2,65 thousand less than the budget of 86,54 thousand. This saving occurred chiefly due to economy measures already referred to under grants No. 4 and 10. A saving to the extent of 2,41 thousands out of the aforesaid amount of 2,65 thousands was, however, foreseen at the time of, and shown as such in, the final estimates under this grant.

Grant No. 2.—Miscellaneous Expenditure.

Year.	(In thousands).				Percentage variation from	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1957-58	1,73,62	1,73,63	1,54,02	1,50,01	-13.6	-13.6
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

34. The actual expenditure of 1,77,34 thousand fell short of the budget estimates by 4,11 thousand.

A supplementary grant of 13,64 thousand was obtained to meet the increase expected under survey expenditure and other miscellaneous charges but it ultimately did not prove necessary.

The saving of 4,11 thousand occurred due to :—

	(In thousand).
(i) Slower progress of survey works than anticipated	5.69
(ii) Less expenditure under cost of statutory audit (1,81) and minor fluctuations under other miscellaneous establishments etc. (82)	2.63
Total ..	8.32

Against the above savings, increase occurred as a result of adjustment of expenditure in respect of certain materials used in Railway Centenary Exhibition (3,17) and more payment of subscriptions to certain railway organisations (1,04) [4,21].

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

Year.	(In thousands).				Percentage variation from.	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final less surrenders or withdrawals.
1957-58	1,03,33	1,45,00	1,45,00	1,44,17	39.5	-6
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

35. The expenditure was about 9 lakhs less than the budget estimate of about, 1,32 lakhs. The saving occurred due partly to certain works not undertaken as a measure of economy, etc. (4 lakhs), expenditure on certain works adjusted under other grants as a result of change in allocation decided during the year (3 lakhs) and other minor variations (2 lakhs). The saving was foreseen to the extent of 7 lakhs and shown as such in the final appropriations

Grant No. 14.—Open line Works Revenue—Other than labour Welfare.

Year.	(In thousands).				Percentage variation from	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actuals expenditure.	Budget.	Final less surrenders or withdrawals.
1957-58	10,69,26	10,69,26	9,31,04	8,99,21	-15.9	-3.4
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

36. The actual expenditure was about 3,11 lakhs less than the budget of 13,70 lakhs. The saving occurred chiefly on account of reduction in expenditure on works as a result of economy measures adopted during the year (1,19 lakhs) and progress of certain other works falling short of anticipations owing to rephasing or other reasons (1,50 lakhs). The other factors contributing to the saving were :—

	(In lakhs).
(i) Expenditure on certain works adjusted under other grants due to change in allocations etc.	35
(ii) Adjustment of debits for supply of materials not materialising to the extent expected	28

The above savings were partly offset by expenditure incurred on certain urgent works found necessary during the year (21 lakhs).

The savings indicated above were foreseen to the extent of 2,17 lakhs and shown as such in this final estimates under this grant.

D.—WORKS EXPENDITURE OUTSIDE THE REVENUE ACCOUNT.

37. 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 ..	45,09	45,27	28,25	27,46
	{ Charged ..	.....	.....	.....	3
Grant No. 16.—Open Line Works—Additions	Voted ..	3,72,31	3,72,31	3,56,26	3,53,95
Grant No. 17.—Open Line Works—Replacements	Voted ..	99,50	99,50	97,50	96,00
Grant No. 18.—Open Line Works—Development Fund	Voted ..	31,49	31,49	25,30	24,90
Grant No. 19.—Miscellaneous Charges—Development Fund	Voted ..	58	65	65	65
	Total { Voted ..	5,48,97	5,49,22	5,07,96	5,02,96
	{ Charged ..	.....	.....	.....	3
	Total ..	5,48,97	5,49,22	5,07,96	5,02,99

The variations Railwaywise under the various grants are brought out in paras to and those under each grant for the railways as a whole are explained in paras *et seq.*

38. The expenditure was about 45,98 lakhs less than the original budget of 5,48,97 lakhs. The saving occurred under grant 15 (17,60 lakhs), grant 16 (18,36 lakhs), grant 17 (3,50 lakhs) and grant 18 (6.59 lakhs) and was partly offset by a small increase under grant 19 (7 lakhs).

Supplementary grants amounting to 25 lakhs were obtained but these proved excessive. There was a small excess of 3 lakhs under charged appropriation 15.

39. 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 :—

	<i>In lakhs.</i>
(i) Grant No. 15.—Construction of New Lines	2,02
(ii) Grant No. 16.—Open Line Works-Additions	9,54
(iii) Grant No. 17.—Open Line Works-Replacements	3,28
(iv) Grant No. 18.—Open Line Works-Development Fund	1,57

40. 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.

Railways.	(In lakhs).			Variation from.	
	Budget Estimates.	Final Appropriation less surrenders or withdrawals.	Actuals.	Budget.	Final Appropriation less surrenders or withdrawals.
Central Voted ..	7	1	....	-7	-1
Eastern Voted ..	6,72	5,14	4,57	-2,15	-57
Northern Voted ..	3,62	1,83	1,95	-1,67	+12
Northeast Frontier Voted ..	2,70	4,38	4,41	+1,71	+3
Southern	{ Charged ..	....	3	+3	+3
	{ Voted ..	5	3	-2	....
South Eastern Voted ..	8,32	6,06	5,92	-2,40	-14
Western Voted ..	17	16	16	-1	....
Railway Electrification Voted ..	25,06	10,65	10,40	-14,66	-25
Ganga Bridge Project	40	....	....	-40	....
Miscellaneous (provision for probable savings)	-2,02	....	....	+2,02	....
Total	{ Voted ..	45,09	28,25*	-17,63*	-79
	{ Charged ..	....	....	3	+3

* 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	46,98	49,05	47,28	+30	-1,77
Eastern	43,07	60,65	59,50	+16,32	-1,15
Northern	39,80	43,88	46,32	+6,52	+2,44
North Eastern	21,53	22,69	22,23	+70	-46
Northeast Frontier	11,01	13,41	13,19	+2,18	-22
Southern	39,28	42,75	41,63	+2,35	-1,12
South Eastern	45,10	45,19	43,90	-1,20	-1,29
Western	42,07	40,91	41,02	-1,05	+11
Chittaranjan Locomotive Works	24,30	25,53	25,76	+1,46	+23
Integral Coach Factory	12,89	11,43	11,64	-1,25	+21
Loco Component Works	2,33	57	58	-1,75	+1
Railway Board	53,50	20	88	-52,62	+68
Miscellaneous (provision for probable savings)	-9,54	....	....	+9,54	....
Total ..	3,72,31*	3,56,26	3,53,95*	-18,36*	-2,31*

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 withdrawals.
Central	14,37	17,91	18,39	+4,02	+48
Eastern	8,47	10,70	10,79	+2,32	+9
Northern	7,81	10,80	10,87	+3,06	+17
North Eastern	6,60	7,32	7,13	+53	-19
Northeast Frontier	3,04	2,90	2,92	-12	+2
Southern	18,36	17,08	16,29	-2,07	-79
South Eastern	17,76	19,54	18,59	+83	-95
Western	7,85	11,23	11,00	+3,15	-23
Chittaranjan Locomotive Works	2	2	2	....	....
Railway Board	18,50	....	....	-18,50	....
Miscellaneous (provision for probable savings)	-3,28	....	....	+3,28	....
Total ..	99,50	97,50	96,00	-3,50	-1,50

* Difference in totals is due to rounding off.

Grant No. 18 Open line Works—Development Fund.

Year.	(In lakhs).			Variation from	
	Budget Estimates.	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final Appropriation less surrenders or withdrawals.
Central	7,69	5,80	5,98	-1,71	+18
Eastern	1,82	1,76	1,63	-19	-14
Northern	3,78	2,07	1,90	-1,88	-17
North Eastern	2,45	2,39	2,52	+7	+13
Northeast Frontier	2,60	2,02	1,93	-67	-9
Southern	5,57	3,64	3,35	-2,22	-29
South Eastern	3,50	2,97	2,88	-62	-9
Western	5,65	4,65	4,73	-92	+8
Miscellaneous (provision for probable savings)	-1,57	....	....	+1,57	....
Total ..	31,49	25,30	24,90*	-6,59*	-40*

41. 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 .. 7	....	-7
Eastern	Voted .. 6,43	4,57	-1,86
Northern	Voted .. 3,47	1,95	-1,52
Northeast Frontier	Voted .. 2,58	4,41	+1,83
Southern	{ Charged	2	+2
	{ Voted .. 4	3	-1
South Eastern	Voted .. 7,96	5,92	-2,04
Western	Voted .. 16	16	....
Railway Electrification	Voted .. 23,99	10,40	-13,59
Ganga Bridge Project	Voted .. 38	....	-38
Total	{ Charged	3*	+3
	{ Voted .. 45,09*	27,46*	-17,63*

* 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 ..	45,61	47,28	+1,67
Eastern "	41,91	59,50	+17,59
Northern "	38,60	46,32	+7,72
North Eastern "	20,89	22,23	+1,34
Northeast Frontier "	10,62	13,19	+2,57
Southern "	38,22	41,63	+3,41
South Eastern "	43,50	43,90	+40
Western "	40,81	41,02	+ 21
Chittaranjan Locomotive Works "	23,81	25,76	+1,95
Integral Coach Factory "	12,62	11,64	—98
Loco Component Works "	2,23	58	—1,65
Railway Board "	53,50	88	—52,62
Total ..	3,72,31*	3,53,95*	—18,36*

Grant No. 17.—Open line Works-Replacements.

Railways.	(In lakhs.)		
	Net Original Appropriation.	Actual Expenditure.	Variation.
Central "	13,81	18,39	+4,58
Eastern "	8,16	10,79	+2,63
Northern "	7,49	10,87	+3,38
North Eastern "	6,34	7,13	+79
Northeast Frontier "	2,91	2,92	+1
Southern "	17,67	16,29	—1,38
South Eastern "	17,03	18,59	+1,56
Western "	7,57	11,00	+3,43
Chittaranjan Locomotiv Works "	2	2	....
Railway Board "	18,50	....	—18,50
Total ..	99,50	96,00	—3,50

*Difference in totals is due to rounding off.

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

Railways.	(In lakhs.)		
	Net Original Appropriation.	Actual Expenditure.	Variation
Central	7,32	5,98	-1,34
Eastern	1,73	1,63	-10
Northern	3,60	1,90	-1,70
North Eastern	2,34	2,52	+18
Northeast Frontier	2,47	1,93	-54
Southern	5,30	3,35	-1,95
South Eastern	3,33	2,88	-45
Western	5,38	4,73	-65
Total	31,49*	24,90*	-6,59*

*Difference in totals is due to rounding off.

EXPLANATIONS FOR VARIATIONS.

Grant No. 15.—Construction of New Lines.

Year.	(In thousands).				Percentage variation from	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	Actual expenditure.	Budget.	Final Appropriation less surrenders or withdrawals.
1957-58	18,13,23	20,33,66	19,63,71	20,46,00	12.8	4.2
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

42. The actual expenditure of about 27,48 lakhs was less than the budget by about 17,61 lakhs. This was the result of a saving of 17,64 lakhs under the voted grant (referred in subsequent paragraph) and a small excess of 2,54 thousand under 'charged' expenditure, on account of payment of decreed compensation for land for which provision could not be made in the supplementary appropriation owing to late receipt of advice.

Out of the saving of 17,64 lakhs under the voted grant (*i. e.*, with reference to the original budget estimates) an amount of 17,02 lakhs was foreseen and shown as such, in the final grant. The supplementary grant of 18 lakhs obtained from the Parliament thus proved to be unnecessary.

The bulk of the aforesaid saving occurred on the Railway Electrification Project (13,58 lakhs), owing chiefly to less expenditure under overhead equipment and electric locomotives. This includes non-surrender of funds in respect of debits for customs duty and port charges amount in to about 23 lakhs) More time than anticipated was taken in negotiating the most advantageous arrangements for the procurement of overhead equipment, while some alterations in the phased delivery of locomotives had resulted in readjustment of expenditure between 1959-60 and 1960-61. Of the aforesaid saving, a sum of 13,33 lrkhs was foreseen and included in the aggregate saving of 1702, lakhs shown in the final estimates under this grant.

The chief reasons for the balance of the saving of 4,06 lakhs were :—

	(In lakhs).
(i) Variations representing the net saving due to factors effecting other projects <i>viz.</i> , excess due to works thrown forward from 1958-59 (3,09) and savings due to non-availability of structural steel for girders and permanent way material in requisite quantity for certain projects (553)	2,44
(ii) Non-adjustment of land charges to the extent anticipated (60 lakhs) non-finalisation of certain contractors' bills (50 lakhs) and omission to make provision for a certain write-back adjustment (35 lakhs), contrary to expectations	1,45
(iii) Receipt of more credits for surplus materials (29 lakhs) and other minor variations (7 lakhs).. .. .	35
Total	4,24

Against these savings excesses were due to payment of certain bills having been adjusted erroneously by debit to 'work' instead of 'deposit miscellaneous' (10 lakhs) and adjustment of debits for junction arrangements provision for which was not made in the final estimates (8 lakhs).

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

Year.	(In thousands).			Percentage variation from		
	Budget Estimates.	Final Appropriation	Final Appropriation less surrenders or withdrawals.	Actual Expenditure.	Budget.	Final Appropriation less surrenders or withdrawals.
1957-58	3,71,72,16	3,82,32,58	3,82,32,53	3,87,41,55	4.2	1.3
1958-59	4,12,02,06	4,30,60,95	4,23,18,91	4,20,62,12	2.1	-0.6
1959-60	3,72,30,95	3,72,30,95	3,56,26,19	3,53,95,13	-4.9	-0.6

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

	(In lakhs).		
	Budget.	Final Appropriation less surrenders or withdrawals.	Actuals.
1. <i>Rolling Stock</i> —			
Locomotives	6,26	6,03	6,05
Boilers	29	3	-4
Carriages	12,09	10,15	10,24
Wagons	37,17	18,68	17,17
Ferries	8	2	....
Total	55,89	34,96	33,42

* Difference in totals is due to rounding off.

Year.	(In lakhs).		
	Budget	Final Appropriation. less surrenders or withdrawals.	Actual.
2. Works.—			
Machinery	1,99	1,48	1,17
Other Structural Works	14,82	13,35	12,72
Probable Savings	64	.....	..
Total	16,16*	14,84*	13,89
3. Miscellaneous.—			
Stores Suspense—2,07 less } Probable Savings 8,91 }	1,98,85	1,89,35	1,90,31
Manufacture Suspense	94,64	94,22	93,08
Miscellaneous Advances Capital	6,26	21,73	22,07
Investment in Road Services	50	1,17	1,17
Total	3,00,25	3,06,47	3,06,64*
Grand Total	3,72,31*	3,56,26*	3,53,95

*Difference in totals is due to rounding off.

44. The actual expenditure under this grant was about 18,36 lakhs less than the budget of 3,72.31 crores. The savings occurred under 'Rolling Stock' (22,47 lakhs), 'Stores Suspense' (8,54 lakhs), 'Works' (2,27 lakhs) and 'Manufacture Suspense' (1,56 lakhs) and were partly offset by excesses under 'Miscellaneous Advances' (15,81 lakhs) and 'Investment in Road Services' (67 lakhs).

(a) The saving of 22,47 lakhs under 'Rolling Stock' on bulk order occurred owing to shortfall in the production of wagons due to difficulties in the import of matching steel and components and less debits for customs duty, freight charges consequential to less import of steel (20,00 lakhs), less works thrown forward from the previous year (1,13 lakhs) and certain works not taken under this grant owing to change in allocation etc., during the year (1,07 lakhs) and adjustment of certain credits on account of sales of wagons not taken into account in the final estimates (27 lakhs).

(b) The saving of 8,54 lakhs under 'Stores Suspense' was chiefly due to restricted fresh purchases of stores, reflecting the drive to bring down stores balances resulting in less debits under this head than originally anticipated in the budget (which included a decrease of 8,91 lakhs on account of probable savings) (7,58 lakhs), fluctuations in adjustments under stock adjustment account (84 lakhs) and receipt of less manufactured materials and surplus stores from works [includes omission to surrender in the final estimates provision for manufactured stores (24 lakhs)] (12 lakhs).

(c) The saving of 227 lakhs under 'works' resulted from progress of certain works being less than anticipated in the budget (which included a decrease of 64 lakhs on account of probable savings) (1,19 lakhs), expenditure on certain works not taken under this grant as a result of change in allocation etc., during the year (69 lakhs), debits in respect of land acquisition not received from the civil authorities contrary to expectations [includes debits in respect of certain land under 'miscellaneous advances' pending receipt of relevant award against provision made under this head (17 lakhs)/(49 lakhs) and other minor variations (11 lakhs)]. These savings were partly offset by increase on account of expenditure on throw-forward works (21 lakhs).

(d) The saving of 1,56 lakhs under 'Manufacture Suspense' was chiefly due to less outturn in workshops owing to less supply of certain materials and consequently less debits for stores, customs duty, freight etc. [includes omission to surrender funds in the final estimates in respect of certain debits for stores (23 lakhs)].

(e) The increase of 14,20 lakhs under 'Miscellaneous advances' was due to advance payments for materials including those coming from abroad and other items awaiting final adjustments etc., (13,89 lrs) underestimation of provision by taking 'net' instead of gross figures (1,46 lakhs), more materials sent out for fabrication (29 lakhs) and booking of debits in respect of certain land under this head pending receipt of relevant award against provision made under works (17 lakhs).

(f) The increase of 67 lakhs under 'Investment in Road Services' was due to some of the schemes of Road Transport Corporation of State Governments materialising during the course of the year—earlier than expected.

The expenditure under this grant includes an amount of Rs. two 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. 17.—Open Line Works-Replacements (Capital and Depreciation Reserve Fund).

Year.	(In thousands).			Actuals.	Percentage Variation from	
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.		budget	Final less surrenders or withdrawals
1957-58	63,96,35	78,58,39	78,58,39	84,12,02	31.5	7.0
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

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

	(In lakhs).		
	Budget.	Final Appropriation less surrenders or withdrawals within grant.	Actuals.
1. Rolling Stock.—			
Locomotives	5,83	6,63	6,88
Boilers	15	18	19
Carriages	15,45	14,53	13,56
Wagons	2,67	3,36	2,92
Ferries	19	24	14
Total	24,30*	24,94	23,70*
2. Works.—			
Machinery	1,49	1,01	86
Bridges	6,40	4,80	4,56
Track Renewals	37,96	41,72	42,89
Other Structural Works	32,63	25,02	24,00
Probable Savings	-3,28	....	....
Total	75,20	72,55	72,30*
Grand Total	99,50	97,50*	96,00

*Difference in totals is due to rounding off.

46. The expenditure of 96,00 lakhs under this grant fell short of the budget by about 3,50 lakhs. This was made up of a decrease of 60 lakhs under 'Rolling Stock' and that of 2,90 lakhs under 'Works'.

The saving under 'Rolling Stock' occurred chiefly owing to delivery of bulk orders rolling stock etc., not materialising to the extent expected, resulting in corresponding decrease in debits for customs duty, freight etc. (1,00 lakhs) and adjustment of cost of underframes etc. found necessary after the budget on the basis of their allotment to works under grant 16 against provision under this grant (13 lakhs). This was partly offset by increase on account of adjustment of expenditure on certain works under this grant as a result of change in allocation etc., decided upon during the year (53 lakhs).

The saving under 'Works' was chiefly made up as under :—

	(In lakhs).
(i) Progress of works not materialising to the extent originally anticipated (which included decrease of 3,28 lakhs on account of probable, savings) (includes omission to surrender funds in respect of certain materials etc. (48 lakhs).	2,97
(ii) Adjustment of credits for surplus stores exceeding the original anticipations [includes omission to make provision in the final estimates for certain credits for materials returned from works (9 lakhs)./ (39 lakhs) and debits in respect of land acquisition not received from the civil authorities, contrary to expectations (24 lakhs)	63
(iii) Expenditure on certain works taken under other grants as a result of change in allocation during the year (9 lakhs) and other minor variations (12 lakhs)	21
Total	3,81

Against these savings, there was an excess on account of expenditure on certain urgent works found necessary during the year (91 lakhs).

47. In Annexure 'D' to the Appropriation Accounts of Railways in India Part II is included a statement showing how far the expenditure on important open line works and new constructions has varied from the original and modified appropriation in the case of 'Works in progress' (Part A) and from the original sanctioned estimates in the case of works completed during the year (part B) (cf : para 9 supra).

In part 'A' of this statement, there are 6,71 works on which the total expenditure was 1,09,20 lakhs. Of these, the number of works for which specific provision had been made in the budget was 3,61 and the total expenditure thereon was 1,02,06 lakhs. This included 1,57 works relating to rolling stock bulk order items, the original provision in respect of which existed with the Railway Board and was transferred to the railways at the final appropriation stage by reappropriation.

The figures of appropriation and expenditure on the works referred to above are as follows :—

(In lakhs).

	Rolling Stock.		Other Structural Engineering Works (1,82 Works).	Total (3,61 Works).
	Bulk Orders (1,57 Works).	Other than Bulk Orders (22 Works).		
Original Appropriation	41,42*	29,86	1,02,12	1,46,50
Final Appropriation	31,53	1,97	71,37	1,04,87
Expenditure	30,68	1,73	69,65	1,02,06

* Existed with the Railway Board.

(a) The saving under bulk orders rolling stock was due mostly to delivery of stock being less than anticipated in the original budget resulting correspondingly in adjustment of less debits for cost thereof, customs duty, freight charges, etc.

(b) The saving of 1,23 lakhs from the original appropriation under other rolling stock items was due to receipt of less supply of materials etc. and debits therefor (1,04 lakhs) and postponement of certain works etc. (19 lakhs).

(c) The saving of 32,37 lakhs from the original appropriation under other structural engineering works, was due to :—

				(In lakhs).
(i)	Slow progress of works owing to rephasing of schemes for one reason or other etc. (28,53 lakhs) and certain works postponed or held in abeyance during the year (1,73 lakhs)	.. ..		30,26
(ii)	Adjustment of credits for surplus materials etc. exceeding the original anticipation and	.. ..	.. ..	1,22
(iii)	Less debits received for supply of materials	.. ..	.. ..	1,09
Total				32,57

The above savings were partly offset by more works thrown forward from the previous year (17 lakhs) and other minor variations (3 lakhs).

The number of works for which provision was not made in the budget was 3,10 and the total expenditure thereon amountd to 7,14 lakhs. Of these, 2 works related to 'Other Structural Works' which were found necessary and undertaken during the year ; the expenditure on these works amounted to 1,32 lakhs against the provision of 1,21 lakhs made therefor in the modified appropriation. 1,36 works thrown forward from the previous year related to supplies, debits etc. in respect of both rolling stock (bulk order items 34 and other rolling stock 32) and other structural works (70 items) and the expenditure on these was 5,93 lakhs against the final provision of 5,96 lakhs. The remaining 1,72 works also related to rolling stock (bulk order items 86 and other rolling stock 26) and other structural works 60 items, and the total expenditure on these amounted to minus 11 lakhs, which represented mostly adjustments not contemplated in the original budget. A provision of minus 9 lakhs was made for these adjustments in the modified appropriation.

Part B of the statement comprised of 5 works *vide* details in the Detailed Appropriation Accounts.

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

Year.	(In thousands).				Percentage variation fr om.	
	Budget Estimates.	Final Appro- prium.	Final Appro- prium less surrenders or withdrawals.	Actual Expen- diture.	Budget.	Final Appro- prium less surrenders or withdrawals.
1957-58	32,36,96	32,36,96	24,58,85	25,68,52	-20.6	+4.4
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

48. The actual expenditure was about 6,59 lakhs less than the budget of 31,49 lakhs. Saving to the extent of 6,19 lakhs had been foreseen at the time of, and shown as such in the final estimates under this grant.

The main factors responsible for the saving were :—

(In lakhs).

(i) Rephasing of certain works and slow progress of certain other works for various reasons including unavoidable delay in finalisation of tenders or estimates in the procurement of materials or in the acquisition of land, etc. (includes works for which additional provision of about 8 lakhs was not indicated in the final estimates)	4,85
(ii) Transfer of certain works from this grant to other grants as per decision during the year	1,16
(iii) Certain works postponed or held in abeyance	61
(iv) Debits for supply of materials not received to the extent expected [includesn on-accountal of certain vouchers (4 lakhs)] (18 lakhs) and other minor variations (5 lakhs)	23
Total	6,85

Against these savings, there was an increase owing to certain urgent works found necessary and undertaken during the year (26 lakhs).

Grant No. 19.—Miscellaneous Charges-Development Fund.

Year.	(In thousands).			Actuals.
	Budget Estimates.	Final Appropriation.	Final Appropriation. less surrenders or withdrawals.	
1958-59 .. .. .	.....	18,93	18,93	18,93
1959-60	57,95	65,33	65,33	65,32

49. The expenditure exceeded the budget by 7,37 thousand, owing to more interest being payable on the temporary loan from the General Revenues taken for meeting the anticipated expenditure on works chargeable to the Development Fund. A supplementary grant of 7,38 thousand was obtained from parliament, but it proved to be in excess of the actual requirement by one thousand due to rounding off.

E.—DIVIDEND PAYABLE TO GENERAL REVENUES.

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

Year.	(In thousands).			Actuals.
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	
1957-58	43,78,73	44,24,19	44,24,19	44,39,93
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

50. The actual expenditure on account of dividend payable to General Revenues was only 2.55 lakhs more than the budget of about 54,41 lakhs. The increase being less than .05 percent calls for no remarks.

At the time of revised estimates, a supplementary grant of 9.67 lakhs was taken on the basis of the latest estimate of the capital-at-charge which interalia took into account the payment of dividend from 1955-56 to 1959-60 in respect of new line constructions in progress on 1st April, 1955 which, it was decided during the year under review, were not eligible for moratorium in terms of the Revised Convention, 1954. The actual payment, however, fell short owing to the actual capital outlay during the year being less than that adopted in revised estimate.

F.—ADJUSTMENTS SHOWING FINAL RESULTS OF THE YEAR.

Grant No. 20.—Appropriation to Development Fund.

Year.	(In thousands).			Actuals.
	Budget Estimates.	Final Appropriation.	Final Appropriation less surrenders or withdrawals.	
1957-58	30,83,11	30,83,11	21,65,63	13,37,98
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

51. At the time of the original budget, a surplus of 21,19 lakhs was anticipated for the year. This was to be appropriated to the Development Fund and no appropriation was to be made under the Revenue Reserve Fund. The actual appropriation to the Development Fund was about 20,12 lakhs i. e., 1,06 lakhs less than the budget. The balance of the actual surplus left, after making payment of dividend to General Revenues was less than the original estimate owing chiefly to unavoidable increase in revenue expenditure as already explained (5,81 lakhs) and slightly more payment of dividend to General Revenues due to inevitable variations (2 lakhs), partly offset by improvement in gross receipts (31 lakhs), increase under miscellaneous receipts on account of transfer of government contribution in the provident fund accounts of staff opting for pension scheme (1,15 lakhs) and decrease under Open Line Works (Revenue) already referred to (3,18 lakhs) and under miscellaneous expenditure (13 lakhs).

Grant/Appropriation.	Final Grant/ Appropriation.	Actual Expenditure.	Savings.
	Rs.	Rs.	Rs.
Grant No. 15.—Construction of New Lines	45,27,38,000	27,45,88,827	17,81,49,173
<p>Due to the results of rephasing of certain works etc. largely under Railway Electrification scheme due largely to non-materilisation of delivery of electric locomotives as anticipated and unavoidable time—lag in selecting the most advantageous contracts for overhead equipment (includes a saving of 23.49 lakhs which could have been shown as surrender in the final estimates). Savings also occurred under other works due to non-availability of structural steel for girders and permanent way materials in requisite quantities. A large part of the saving was foreseen and shown as such in the revised estimate.</p>			
Grant No. 16.—Open Line Works—Additions*	3,72,30,95,000	3,53,94,96,458	18,35,98,542
<p>Due largely to shortfall in production of wagons due to difficulties in the import of matching steel and consequential savings in customs duty, freight, departmental charges, etc., including charges pertaining to a few other items of imported equipment and aggregate saving of 43 lakhs which could have been shown as surrender in the final estimates. A large part of the saving was foreseen and shown as such in the revised estimate.</p>			
Grant No. 17.—Open Line Works—Replacements	99,49,52,000	95,99,87,935	3,49,64,065
<p>Due mainly to non-availability of steel girders for bridges and certain types of materials contrary to original anticipation, non-delivery of certain machinery as originally anticipated (includes aggregate saving of 49 lakhs) and shortfall in expenditure on rolling stock owing to sundry causes. A major portion of the saving was foreseen and shown as such in the final estimates under this grant.</p>			
Grant No. 18.—Open Line Works—Development Fund	31,49,00,000	24,90,39,268	6,58,60,732
<p>Due mainly to rephasing of works of operating improvements on certain sections, a large portion of the saving from which was foreseen, and shown as such, in the revised estimates provision of about 8 lakhs was not made in the final estimates.</p>			
Grant No. 19.—Misc. charges	65,33,000	65,31,911	1,089
<p>Minor variation.</p>			
Grant No. 20.—Appropriation to Development Fund	21,18,74,000	20,12,49,201	10,62,47,990
<p>A decrease (of about 5 per cent) from the originally budgetted surplus is the net effect of various factors already explained. In spite of various increase in working expenses which were more or less (as explained in Section III) this result has been achieved mainly because of various measures of operating improvements, economy etc.</p>			
<p>*Provision under 'Miscellaneous Advances' has been made by a Railway for 'net' transactions instead of 'gross.'</p>			

Irregular Re-appropriations.

57 There were no cases of irregular reappropriations from one grant to another.

Defects in Estimating and Control over Expenditure.

58. 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.

59. 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.

60. 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 1959-1960.—Part II.

SECTION V.

RESERVE FUNDS.

Railway Revenue Reserve Fund.

61. This fund opened with a balance of Rs. 49,70,40,818, which differed from the closing balance of 1958-59 by Rs. 32,89,373 on account of revision of balance in respect of ex-G. B. S Railway without financial adjustment. During the year, the accretion to the Fund amounted to Rs. 1,90,08,333 *viz.*, Rs. 1,87,00,674 on account of interest and Rs. 3,07,659 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. 51,60,49,151 of which an amount of Rs. 14,56,500 was invested in shares of branch lines and Rs. 32,99,042 in loans to branch line Companies.

Depreciation Reserve Fund.

62. Consequent upon further revision, without financial adjustment, of the *ad hoc* balance as on 15th August, 1947 and *ex-state* Railways balance as on 1.8.1949 & also transfer of certain expenditure from Development Fund the balance at the credit of this fund at the beginning of the year was Rs. 57,70,00,511. The contribution to this fund during the year amounted to Rs. 45 crores *vide* paras 5 and 30, besides the contribution of Rs. 59,12,832 from the Chittaranjan Locomotive Works, Rs. 25,94,722, from the Integral Coach Factory and Rs. 2,10,92,034 on account of interest on the balance credited to the fund. The withdrawals from the fund amounted to Rs. 68,35,76,702 and the net withdrawal from the fund during the year was Rs. 20,39,77,114. The closing balance on the 31st March, 1960 stood at Rs. 37,30,23,397.

Development Fund.

63. The balance at the credit of this fund on the 1st April, 1959 was minus Rs. 67,33,489; this excluded Rs. 1,01,92,014 being outlay on 'Adipur Bhuj Conversion, 'Providing a wagon repairshop at Kotah' and 'Remodelling of wagon shops at Mahaluxmi, Westren Railway,' written back to capital etc without financial adjustment. A sum of Rs. 20,12,49,201 being the surplus for the year under review was appropriated to the fund (para 6). Also, a loan amounting to Rs. 14,84,69,000 was obtained from the General Revenues to augment this Fund with a view to meeting the cost of developmental works chargeable to this Fund. The payments from this Fund amounted to Rs. 25,54,14,980 and included an amount of Rs. 65,31,911 on account of interest paid on the loan obtained from the general finance during the year. The interest on the balance of the fund amounted to Rs. 15,50,785. The closing balance on the 31st March, 1960 thus stood at Rs. 8,91,20,517.

A statement showing the position of this fund year by year since its inauguration as Betterment Fund on the 1st April, 1946 appears in page 80 of the Appropriation Accounts of Railways in India for 1958-59 Part II.

INVESTMENT.

64. During the year under review, investments in shares of branch line companies held on account of the Railway department stood at Rs. 14.57 lakhs. The market value of these investments on the 31st March, 1960 stood at Rs. 9.63 lakhs. (estimated). The amount of interest etc., on these investments amounted to Rs. 1.32 lakhs.

65. A statement showing investments made by the Railways in shares of private companies and statutory corporations will be found at page 84 of the Appropriation Accounts of Railways in India Part II.

SECTION VI.—Miscellaneous.

66. 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 Sheet 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 1959-60 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).	
	1958-59.	1959-60.	Fixed Assets—	1958-59.	1959-60.	
Government Capital—			(a) Assets acquired by purchase.	1,78·90	1,78·90	
(a) Specific Debt ..	82·72	82·72	(b) Other assets ..	10,26·29	11,21·21	
(b) Non-specific Debt	12,73·84	13,49·53	Total ..	12,05·19	13,00·11	
Total ..	13,56·56	14,32·25	Floating Assets ..	1,51·40	1,32·17	
Other Capital—			Grand Total ..	13,56·59	14,32·28	
(a) Contribution by Indian States and District Boards, etc.	·03	·03				
Grand Total ..	13,56·59	14,32·28				

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

<i>Liabilities.</i>			<i>Assets.</i>		(In crores).	
	1958-59.	1959-60.		1958-59.	1959-60.	
1. Capital invested as in Part I—Capital Statement (comprising Loan Accounts) ..	13,56·59	14,32·28	1. Fixed and floating assets as in Part I—Capital Statement (Comprising Loan Account)	13,56·59	14,32·28	
2. Depreciation Reserve Fund ..	71·92	82·83	2. Assets financed from Depreciation Reserve Fund ..	71·92	82·83	
3. Development Fund	1,19·98	1,43·22	3. Assets created out of Development Fund	1,19·98	1,43·22	
4. Revenue (Open Line Works)	63·21	74·34	4. Assets created out of Revenue	63·21	74·34	
Total ..	16,11·70	17,32·67	Total ..	16,11·70	17,32·67	

67. 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 of 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 Rohilkhand 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.

68. The capital expenditure during the year under report amounted to 74.69 lakhs distributed as under :—

	(In lakhs).
(a) Expenditure on construction of new lines and projects including Ganga Bridge and Calcutta Electrification Projects and Excluding expenditure on floating assets	26,38
(b) Expenditure incurred on improvements of Existing lines ..	67,94
(c) Investment in road services	1,17
(d) Expenditure on floating assets	—19,24
(d) 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	—1,56
Total	74,69

69. The balance sheets as on 31st March, 1959 and 31st March, 1960 are given below in abbreviated form :—

				(In crores).	
<i>Liabilities.</i>	1958-59.	1959-60.	<i>Assets.</i>	1958-59.	1959-60.
Total investment (as in the Block Account Statement)	16,11.70	17,32.67	Fixed and Floating assets (as in Block Account Statement)	16,11.70	17,32.67
Banking Account—			Banking Account as <i>per contra</i>	1,96.51	2,10.01
(a) Railway and other provident and staff benefit funds, etc.	1,46.15	1,58.36	Traffic Account	11.28	10.94
(b) Miscellaneous deposits	47.92	49.60	Miscellaneous Advances	8.82	8.48
(c) Festival & other Advances	1.10	1.16	Cash in hand	11.63	14.99
(d) Advances from Central Govt. for loans to railway employees	1.13	.82	Reserve funds and investments	1,04.39	97.82
(e) Advances to Port authorities .. ..	.21	.07	Railway deposits investment account Silver Jubilee of ex. G. B. S. Rly. .. ..	..	02
Total Banking Account	<u>1,96.51</u>	<u>2,10.01</u>			
Depreciation Reserve Fund	56.70	37.30	Account with States	2.87	1.90
Railway Revenue Reserve Fund	49.38	51.61	Account with Pakistan Railway	2.35	—15
Development Fund	—1.69	8.91			
Demands payable	12.48	13.82			
Account current with other departments	24.30	25.14			
Loans from State Govt.	.17	.17			
Total ..	<u>19,49.55</u>	<u>20,76.68</u>	Total ..	<u>19,49.55</u>	<u>20,76.68</u>

70. The profit and loss accounts appended to the Appropriation Accounts show a net profit during 1959-60 as under :—

		Rs.
Commercial (Profit) .. .. .	.. .. .	18,84,02,690
Strategic Loss .. .. .	.. .. .	10,39,727
Net Profit .. .. .	.. .. .	<u>18,73,62,963</u>

71. A statement of the stores accounts for the year 1959—60 will be found in page 86 of the Appropriation Accounts Part II, which gives, railway wise, 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 16·01 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, 1960, 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 railways as a result of the drive for reduction of stores balances referred to above.

	(In crores).	
	On 31-3-59.	On 31-3-60.
Ordinary Stores	96·10	84·26
Surplus Stores	5·36	5·77
Special Stores	13·43	8·78
Grainshop Stores	·10	·17
Total	1,14·99	98·98

GRAINSHOP.

72. The number of railway ration card holders purchasing food stuffs, etc., at concessional rates, which was 12,137 at the end of the previous year, came down to 11,311 at the end of the year under report. The number of grainshops at the close of the year was only 15 of which 8 shops were static and the remaining 7 mobile. The number of shops functioning at the end of the previous year also was 15, of which 8 shops were static and 7 mobile.

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 11,724, as compared to 12,568 for the last year.

The value of stock in hand at beginning of the year under report was Rs. 16,87,087 and that at the end of the year was Rs. 17,13,042. Sales during the year amounted to Rs. 26,47,292, an average of Rs. 2,20,608 per month or about Rs 19 per ration card per month.

The loss during the year was about Rs. 70 lakhs which includes loss to the extent of about 75 thousand comprising accounting adjustments carried out during the year in respect of old transactions relating to central, Northern, Southern and Western Railways where grainshops did not actually exist during the year. The average cost of foodgrain concession per card holder per month was about Rs. 50, against Rs. 46 during 1958-59. The loss during the earlier year 1958-59 was also about Rs. 70 lakhs.

The grainshops during the year existed only on Eastern, North-eastern, North east Frontier and South Eastern Railways.

The Profit and Loss account of the Grain shops for the year 1959-60 will be found in pages 88 and 89 of the Appropriation Accounts of Railways in India Part II- Detailed Appropriation Accounts for the year.

RAILWAY CATERING.

73. A profit and loss account of the Catering Department has been compiled for the year under review and is in the page 90-91 of the Detailed Appropriation Accounts. The amount of net deficit for the year was about Rs. 7 lakhs.

WHARFAGE AND DEMURRAGE CHARGES.

74. The total amount of demurrage and wharfage charges which accrued during the financial year 1959-60 was Rs. 6,55,12,545 and the amount outstanding for collection at the end of the previous financial year was Rs. 2,43,47,854 making a total of Rs. 8,98,60,399. Of this, an amount of Rs. 1,50,85,053 or 16.8% of the total was waived or refunded, the corresponding percentage for the earlier years 1956-57, 1957-58 and 1958-59 being 20.3, 16.1 and 16.6% respectively.

New Delhi,

The  1961.

S. JAGANNATHAN,
Secretary to the Government of India.

New Delhi,

The  1961.

KARNAIL SINGH,
Principal Secretary to the Government of India,
(Ministry of Railway.)

ANNEXURE 'A'.

(Paragraph 12).

Minor changes in Form and Classification.

A.—Changes in Form.

—NIL—

B.—Changes in Classification.

1. The following advances which were classified under "Consolidated Fund" were transferred to "Public Account" and booked under "Departmental Advances-Railway Advances" under "S—Deposits and Advances—Part III—Advances not bearing interest.

- (i) Advance to Railway Officers for expenditure on ceremonial occasions.
- (ii) Advance to Controller of Stores for purchase of stores and,
- (iii) Advance to Railway Canteens for purchase of provisions.

2. To record the payments made by the Pay and Accounts Officers in the closing weeks of March, on behalf of Railways for which reimbursements were not made by the Railways upto 31st March, a new subdetailed head "PAO—Suspense" under the minor head "Suspense Accounts" falling under the major head "Suspense Accounts" in Section "S—Deposits and Advances Part IV—Suspense" was opened to which the amount of such payments were credited by debit to final heads in the accounts of the year and cleared in the accounts of the following year on the issue of cheques.

3. In connection with the recording of following items of receipts and expenditure, suitable detailed heads of account were opened under the revenue abstracts indicated below :-

- (i) Contribution towards pensionary charges payable to Railways by Central Government Departments and State Governments etc. } Abstract Z.
- (ii) Expenses on subsidised hostels for the children of Railway employees. } Abstract G.

ANNEXURE 'B'.

(Paragraph 59).

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

The Northern Railway omitted to make in the final estimates provision for debits in respect of certain stores etc. (Rs. 10,55,000).

2. The Northeast Frontier Railway omitted to surrender in the final estimates provision not required in respect of certain flood protection works (Rs. 4,73,000).

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

3. The Northeast Frontier Railway did not surrender in the final estimates provision in respect of certain posts which were not expected to be filled during the year (Rs. 3,60,000)

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

4. The Northern Railway did not surrender in the final estimates provision in respect of certain bills of catering stores (Rs. 3,60,000).

Grant No. 15.—Construction of New Lines.

5. The Eastern Railway omitted to make in the final estimates provision in respect of certain write back adjustment etc. (Rs. 34,49,000) and for debits in respect of junction arrangements (Rs. 7,63,000).

6. The Railway Electrification Project did not surrender in the final estimates provision in respect of debits for customs duty, port charges etc. not received during the year (Rs. 23,41,000) and under-estimated the provision in respect of payments to contractors etc. (Rs. 7,35,000).

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

7. The Eastern Railway did not surrender in the final estimates provision in respect of certain debits for stores (Rs. 22,90,000).

8. The Northern Railway under stated provision under 'Miscellaneous Advances' by taking 'net' instead of 'gross' figures (Rs. 1,45,52,000).

9. The Southern Railway omitted to surrender in the final estimates provision for manufactured stores which had been offloaded (Rs. 23,92,000).

10. The South Eastern Railway did not make in the final estimates provision for certain credits in respect of sale of certain wagons (Rs. 27,20,000).

11. The Western Railway omitted to make in the final estimates, adequate provision for debits for stores (Rs. 6,80,000).

12. The Chittaranjan Locomotive Works under-estimated provision for receipt of certain stores etc. (Rs. 14,93,000) and fabrication charges (Rs. 9,13,000) (Rs. 24,06,000).

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

13. The Eastern Railway did not surrender in the final estimates provision in respect of certain materials (Rs. 10,31,000).

14. The Northeast Frontier Railway omitted to make in the final estimates adequate provision for debits for materials (Rs. 7,97,000).

15. The South Eastern Railway over-stated in the final estimates the provision for supply of stores (Rs. 38,00,000) and did not make credit provision for certain stores returned from works (Rs. 8,54,000) (Rs. 46,54,000).

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

16. The Northeast Frontier Railway omitted to make in the final estimates adequate provision for adjustment of cost of stores for certain works (Rs. 8,39,000).

Part II—Control over Expenditure.*Grant No. 16.—Open Line Works—Additions.*

The Southeastern Railway made provision for certain materials under grant 17; the expenditure was correctly adjusted under this grant to which it related (Rs. 12,81,000).

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

2. The Northern Railway made provision for a certain work under Grant No. 18. The expenditure was correctly booked under this grant to which it related (Rs. 5,65,000).

ANNEXURE 'C'.

(Paragraph 7.).

Statement showing percentage of working expenses to earnings in respect of the Indian Railways for the years 1957-58, 1958-59 and 1959-60.

<u>Railways.</u>	<u>1957-58.</u>	<u>1958-59.</u>	<u>1959-60.</u>
Central	75.02	75.87	69.86
Eastern	85.38	83.27	75.22
Northern.. .. .	76.67	78.90	78.20
North Eastern	1,09.38	1,17.25	1,42.64
Northeast Frontier	*	1,35.18	1,37.43
Southern	96.34	92.77	89.05
South Eastern	68.88	71.21	66.16
Western	71.30	74.08	73.42

The percentage of working expenses to earnings for 1959-60 for the Railways as a whole, compared as follows with the corresponding percentages for the two previous years.—

1957-58	81.21
1958-59	82.72
1959-60	79.54

The percentage of working expenses to earnings for the Railways as a whole is 79.54 (*vide* paragraph 7) as compared to 85.28 for the previous year. The earnings for the year under review had improved by Rs. 32 crores and this was accompanied by an increase of about Rs. 14 crores only in working expenses and the year under review recorded a decrease of 3.18 in the percentage under consideration.

The increase in the percentage on the North Eastern Railway was owing to reduction in earnings due to arrear payments made to other railways (Rs. 3.65 crores) and a special adjustment made against working expenses from stock adjustment account (Rs. 62 lakhs).

* The Northeast Frontier Railway was formed as a result of the bifurcation of the North Eastern Railway and its accounts organised separately from 1958-59.

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 1957-58, 1958-59 and 1959-60.

(In Lakhs).

Railways.	Gross Earnings. (a)			Ordinary Working (b) Expenses.			Appropriation to Depreciation Reserve Fund.			Net Receipts.			Net gain (+) or loss (-).		
	1957-58	1958-59	1959-60	1957-58	1958-59	1959-60	1957-58	1958-59	1959-60	1957-58	1958-59	1959-60	1957-58	1958-59	1959-60
1. Central	71.92	73.59	81.28	45.38	47.41	48.65	8.58	8.43	8.13	18.59	18.42	24.63	+8.60	+8.11	+13.13
2. Eastern	51.51	54.60	60.97	37.65	38.98	39.45	6.33	6.48	6.42	7.57	8.69	15.72	+3	+1.14	+7.02
3. Northern (Commercial.)	60.44	60.36	63.09	39.15	40.62	42.33	6.97	6.85	6.86	14.41	12.91	13.58	+4.12	+2.51	+2.10
4. Northern (Strategic)	17	17	20	15	15	17	19	14	14	-17	-12	-10	-17	-12	-10
5. North Eastern ..	33.12	18.88	16.36	30.99	19.36	20.63	5.24	2.77	2.70	-3.86	-2.21	-7.19	-9.50	-5.82	-11.20
6. Northeast Frontier ..	..	12.39	13.04	..	14.48	15.77	..	2.27	2.16	..	-5.18	-5.00	..	-8.01	-8.17
7. Southern	52.72	54.77	58.64	44.45	44.64	46.21	6.34	6.17	6.01	1.75	4.49	6.66	-5.67	-2.93	-1.99
8. South Eastern ..	49.12	51.14	58.38	28.83	30.76	32.43	5.00	5.65	6.19	14.72	13.85	20.23	+8.74	+6.76	+11.87
9. Western	62.42	64.87	70.40	38.16	41.83	45.30	6.35	6.24	6.39	17.33	17.92	19.18	+9.10	+9.60	+9.69
10. Miscellaneous .. ..	..	..	..	..	..	..	..	..	..	..	..	..	-1.87	-2.31	-2.23
Total ..	3,81.42	3,90.77	4,22.34	2,64.76	2,78.23	2,90.94	45.00	45.00	45.00	70.34	68.77	87.71	+13.38	+8.93	+20.12

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

The Northeast Frontier Railway was formed in January, 1958 as a result of the bifurcation of the North-Eastern Railway and its accounts organised separately from 1958-59

(a) Excludes Suspense.

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

ANNEXURE 'E'.

(Paragraph 71).

Store Balances.

(In lakhs).

Railways.	1957-58.	1958-59.	1959-60.
Central	18,44	21,60	17,01
Eastern	12,70	15,13	13,16
Northern (Commercial)	12,44	14,99	13,70
Northern (Strategic)	2	3	3
North Eastern	11,72	9,16	8,69
Northeast Frontier	*	3,54	4,36
Southern	12,05	12,92	11,26
South Eastern	11,12	16,12	12,11
Western	11,51	12,09	10,16
Chittaranjan Locomotive Works	4,15	5,28	5,12
Integral Coach Factory	2,51	2,95	2,54
Ganga Bridge Project	82	18	(a)
Calcutta Electrification Project	1	..	..
Main Line Electrification	52	88	65
Locomotive Component Works	4	12	19
Total ..	98,05	1,14,99	98,98

*The Northeast Frontier Railway was formed in January 1958 as a result of the bifurcation of the North-Eastern Railway and its account organised separately from 1958-59.

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

ANNEXURE 'G'.

Principal Statistics of Indian Government Railways for the year 1956-57,
1957-58, 1958-59 & 1959-60.

Serial No.	Items.	1956-57.	1957-58.	1958-59.	1959-60
<i>General.</i>					
1.	Total route mileage on 31st March	34,290·81	+34,463·27	34,636·25	34,768·52
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)	10,33,02	11,69,13	12,94,81	13,70,32
3.	Gross earnings (in laks of rupees)	3,48,89	3,81,42	3,90,77	4,22,36
4.	Working Expenses (in lakhs of rupees)	2,78,76	3,09,76	3,23,23	3,35,94
5.	Percentage of working expenses to gross earnings ..	79·90	81·21	82·72	79·54
6.	Net earnings (in lakhs of rupees)	70,13	71,66	67,54	86,42
7.	Percentage of net earnings on total capital-t-acharge	*6·76	6·13	5·22	6·31
<i>Passenger traffic.</i>					
8.	No. of passengers carried (in millions)	1,407	1,458	1,484	1,580
9.	Earnings from passengers carried (in lakhs of rupees)	1,16,32	1,19,10	1,16,74	1,25,61
10.	Total passenger miles (all classes in millions) ..	41,878	43,043	42,263	46,066
11.	Average number of miles all classes of passengers were carried	29·8	30·1	29·7	30·4
12.	Passenger miles per route mile per annum	1,221,263	1,248,997	1,220,208	1,324,907
<i>Goods traffic.</i>					
13.	Tons carried (all traffic) (in millions)	179	+202	209	224
14.	Earnings from goods carried (in lakhs of rupees) ..	2,00,58	2,25,20	2,36,40	2,55,43¶
15.	Total net ton miles, goods traffic including coal (in millions)	4,01,86	+4,56,10	4,67,67+	50,149
16.	Average miles a ton of goods was carried	225	331	+345	348
17.	Freight ton miles per route miles per annum	1,171,905	+1,323,440	+1,350,236	1,442,357
18.	Gross earnings per mean mile worked per week ..	2,051·4	2,24,96	2,293·3	2,472·8
19.	Working expenses per mean mile worked per week	1,659·9	1,850·3	1,918·7	1,996·4
20.	Gross earnings per train mile	17·1	18·1	18·3	19·2
21.	Working expenses per train mile	13·8	14·9	15·3	15·5
22.	Net earnings per train mile	3·26	3·21	2·98	3·70
<i>Engine usage.</i>					
23.	Engine miles per engine on line.—				
	B. G.	83	84	83	82
	M. G.	76	74	73	73
<i>Wagon usage.</i>					
24.	Average number of wagon owned (in units).—				
	B. G.	1,68,366	1,83,314	1,95,384	2,00,989
	M. G.	70,083	80,525	83,798	84,025
25.	Average wagon load during the run (in all tons.) all traffic.—				
	B. G.	16·6	16·8	17·5	17·7
	M. G.	9·19	9·67	+9·72	9·98

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

† Revised figures.

* Includes G. B. P. and C. E. P.

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

ANNEXURE 'G'.—Contd.

Serial No.	Items.	1956-57.	1957-58.	1958-59.	1959-60
<i>Staff.</i>					
26.	Total number of staff (open line)	1,03,70,72	1,008,124	1,120,893*	1,123,278
27.	Cost of staff for open lines and construction staff (in lakhs of rupees)	1,53,79§	1,70,43§	1,80,52§	1,85,12§
28.	Percentage of cost of staff (item 27) to gross earnings (item 3)	44.1	44.7	46.2	43.8
29.	Percentage of cost of staff (item 27) to working expenses (item 4)	55.2	55.0	55.8	55.1
<i>Coal Consumption.</i>					
30.	Total consumption (thousands of tons)	13,220	14,119	14,897*	15,710
<i>Lbs of coal consumption per 1 000 gross ton miles.</i>					
31.	Passenger and proportion of mixes.—				
	B. G.	185.2	183.1	185.6	186.6
	M. G.	218.6	207.9	215.9*	215.7
32.	Goods and proportion of mixed.—				
	B. G.	152.4	149.2	147.0	144.9
	M. G.	187.6	177.8	188.5*	193.4
<i>Equipment.</i>					
33.	Total Locomotives—(all gauges)				
	(a) Steam including sentinel and clayton types	9,563	9,908	10,130	10,262
	(b) Diesel electric	77	¶96	¶171	¶181
	(c) Electric	79	89	92	91
34.	Total tractive effort (in lbs.) (thousands)—(all gauges)				
	(a) Steam (including sentinel and clayton types)	239,703	249,934	258,630*	265,952
	(b) Diesel electric	1,677	¶2,570	¶5,899	¶6,327
	(c) Electric	2,634	2,972	3,084	3,110
35.	Total Passenger carriage for public use (in units)—				
	B. G.	8,547	8,751	9,330	9,887
	M. G.	7,632	7,660	8,227	8,572
36.	Total Goods vehicles for public use (in units)—				
	B. G.	178,995	194,808	203,825	206,815
	M. G.	77,081	82,961	85,977*	85,280
37.	Total capacity (in thousands of tons) excluding special wagons—				
	(a) Covered wagons—				
	B. G.	2,165	2,394	2,481	2,491
	M. G.	847	893	903	891
	(b) Open wagons high sided—				
	B. G.	1,283	1,360	1,404	1,431
	M. G.	171	238	272*	270
	(c) Open wagons low sided—				
	B. G.	54	53	46	31
	M. G.	94	60	48	46

† 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.

ANNEXURE 'G'.—Contd.

Serial No.	Items.	1956-57.	1957-58.	1958-59.	1959-60.
38.	Percentage of number under or awaiting repair to average number on line (in Transportation and Mechanical Workshop) ..				
	(a) Locomotives.—				
	B. G.	15·8*	15·1	15·3	15·0
	B. G. Diesel .. .. .	..	14·3	12·2	9·03
	B. G. Electric	23·9	19·8	17·4	15·1
	M. G. Steam	15·9	15·7	15·3	14·3
	M. G. Diesel .. .. .	..	13·0	13·0	27·3
	M. G. Electric	25·0	25·0	25·0	25·0
	(b) Wagons.—				
	B. G. Steam	3·79	3·53	3·35	3·79
	M. F. Steam	5·02	3·96	4·03	4·21
39.	Trains Miles (in thousands)				
	(a) Passengers.—				
	Steam	101,338*	104,911*	106,690	107,013
	Diesel	109	54	59	74
	Electric	1,992	1,996	2,383	2,704
	(b) Mixed	11,998	10,306	8,719	9,326
	Diesel	19	*2	1	21
	(c) Goods.—				
	Steam	81,444*	85,921	85,758	87,139
	Electric	921	945	794	933
	Diesel	601	1,103	3,120	6,256
40.	Net ton miles (per engine hour goods)—				
	B. G.	2,176	*2,278	2,284	2,424
	M. G.	958	994	*958	999

* Revised Figures.