APPENDIX
TO THE
Appropriation Accounts of the Central Government (Civil) for the year 1929-30
CONTAINING
ACCOUNTS AND REVIEWS OF GOVERNMENT COMMERCIAL CONCERNS.
COMPILED BY
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# TABLE OF CONTENTS.

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Introduction</th>
<th>Grant No.</th>
<th>Para.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td></td>
<td>1 to 27.</td>
<td></td>
</tr>
<tr>
<td>List of outstanding points</td>
<td></td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>Government of India, Finance Department concerns—</td>
<td>29 to 56.</td>
<td></td>
</tr>
<tr>
<td>1. Security Printing, India, including Central Stamp Store, Naik Road.</td>
<td>80—Stamps and outlay, S. P. I.</td>
<td>57 to 64.</td>
<td></td>
</tr>
<tr>
<td>2. General remarks introductory to the reviews of the accounts of the Mints.</td>
<td>70—Mint</td>
<td>65 to 86.</td>
<td></td>
</tr>
<tr>
<td>3. His Majesty’s Mint, Calcutta.</td>
<td>71—Mint</td>
<td>87 to 122.</td>
<td></td>
</tr>
<tr>
<td>4. His Majesty’s Mint, Bombay.</td>
<td>72—Mint</td>
<td></td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>Government of India, Finance Department, Central Board of Revenue concerns—</td>
<td>123 to 153.</td>
<td></td>
</tr>
<tr>
<td>1. Northern India Salt Revenue Department (Manufacturing Department).</td>
<td>18—Salt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Opium Factory, Ghazipur (Cost Account).</td>
<td>19—Opium</td>
<td>154 to 205.</td>
<td></td>
</tr>
<tr>
<td>1. Mathematical Instrument Office, Calcutta.</td>
<td>47—Survey of India</td>
<td>228 to 239.</td>
<td></td>
</tr>
<tr>
<td>3. Photo Litho office.</td>
<td>Do.</td>
<td>231 to 239.</td>
<td></td>
</tr>
<tr>
<td>4. General remarks introductory to the reviews of the accounts of the Farms and Creamery.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Imperial Institute of Animal Husbandry and Dairying, Wellington.</td>
<td>58—Agriculture</td>
<td>240 to 255.</td>
<td></td>
</tr>
<tr>
<td>Chapter IV — contd.</td>
<td>Grant No.</td>
<td>Paras.</td>
<td></td>
</tr>
<tr>
<td>--------------------</td>
<td>----------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>7. Imperial Cattle Breeding Farm, Karnal.</td>
<td>Do.</td>
<td>274 to 300.</td>
<td></td>
</tr>
<tr>
<td>10. Imperial Institute of Veterinary Research and Dairy, Muktasar.</td>
<td>59—Civil Veterinary Services</td>
<td>337 to 353.</td>
<td></td>
</tr>
<tr>
<td>11. Forest Department, Andamans.</td>
<td>80—Andamans and Nicobar Islands</td>
<td>354 to 376.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter V</th>
<th>Government of India, Commerce Department concerns—</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bengal Pilot Service</td>
<td>45—Port and Pilotages</td>
</tr>
<tr>
<td>2. Indian Lighthouse Department</td>
<td>46—Lighthouses and Lightships and 93—Capital outlay on Lighthouses and Lightships</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter VI</th>
<th>Government of India, Home Department concerns—</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Shipping Office, Andamans.</td>
<td>80—Andamans and Nicobar Islands</td>
</tr>
<tr>
<td>2. Marine Department, Andamans.</td>
<td>Do.</td>
</tr>
<tr>
<td>3. Executive Commissariat Department, Andamans (Bakery, Dairy Farm and Butchery).</td>
<td>Do.</td>
</tr>
</tbody>
</table>
APPENDIX

TO THE

Appropriation Accounts of the Central Government (Civil) for the year 1929-30 containing Accounts and Reviews of Government Commercial Concerns.

CHAPTER I.

SECTION 1.

1. The first Commercial Accounts Appendix to the Appropriation Accounts of the Central Government was prepared for the year 1928-29. It was explained in the opening chapter of that volume that its existence was due to the expressed desire of the Hon'ble the Finance Member that more detailed information about commercial or quasi-commercial concerns of Government should be placed before the Public Accounts Committee. The Finance Member desired that this appendix should contain information of a nature usually communicated to the shareholders of a company in the report of the Directors and in the Chairman's speech when the latter intend to take the former fully into their confidence. The Director of Commercial Audit undertook the preparation of the complete appendix for 1928-29 but under the new arrangement, information relating to each concern for the year 1929-30 has been prepared partly by the Superintendents in charge of concerns and partly by the Director of Commercial Audit by whom the volume has been compiled.

2. Section 1 of this opening chapter deals with some general comments relating to the accounts of Government commercial concerns. Section 2 deals with general questions relating to the audit of the accounts of these concerns for the year 1929-30. Chapters (II) to (VI) deal with the working results of Government concerns grouped according to the department of the Government of India which controls the concerns. In every case information is given in the following order:

(1) Brief history and purpose of the concern.
(2) A review of the working for the year 1929-30 prepared by the Officer in charge of the concern.
   (In some cases information relating to (1) and (2) is given in one review).
(3) Remarks of the Director of Commercial Audit on the audit of the accounts of the concern for the year.
(4) Manufacturing and/or Trading and Profit and Loss Accounts and Store Account for the year and Balance Sheet at the end of the year.
This appendix contains reviews only of those Central concerns with the audit of the accounts of which the Commercial Audit Branch is concerned.

3. It is a recognised fact that the Indian Government system of accounts is unsuitable for recording and controlling the transactions, and presenting at any time the true state of affairs, of the Government commercial undertakings. This led to the formation, in March 1928, of the Commercial Audit Branch of the Indian Audit Department. The origin of the Branch and its organisation during the early stages of its work was fully explained in the opening chapter to last year's appendix. There are now six circle offices working under the Director of Commercial Audit with headquarters at Calcutta (2 circles), Madras, Rangoon, Nasik Road and New Delhi.

4. The work has been sub-divided among the several circles on a territorial basis. There are now one hundred and forty concerns under the half-yearly or annual audit of the Commercial Audit Branch. This number includes as one concern some large undertakings where the audit staff had to visit many offices, examples being the Calcutta Port Trust which maintains accounts in fifty offices and the Bombay Government Distillery at Nasik Road which has many warehouses. Arrangements are being made whereby this branch will, in the near future, take over the audit of the accounts of fifty-four Government Presses and about twelve miscellaneous concerns including the Madras Port Trust.

5. Government accounts differ from accounts in commercial form in several important aspects. The most important differences are that Government accounts record only Receipts and Payments. They make no attempt to distinguish between actual Income and Expenditure applicable to a period and they do not, in many cases, incorporate the results of the Government inter-departmental transactions. It is true that commercial accounts for a period can be compiled from Government accounts by taking into consideration the debit and credit outstanding accounts at the beginning and the end of every trading period, increases or decreases in stores and stock at the end as compared with the beginning of the period and indirect charges, under several heads which do not appear in the Government accounts. Although Manufacturing, Trading and Profit and Loss Accounts and Balance Sheets in commercial form can be prepared from the Government accounts, supplemented by records maintained by a concern relating to fixed assets, stores and labour payments, the fact still remains that there are certain difficulties in the way of managing a commercial concern under the Government system of accounts and finance. The first difficulty arises from the nature of the system of budget control which has to be applied to the generality of public transactions, and the second is that all receipts must be credited at once into the Government account at the treasury and may not be utilised to finance expenditure. In the management of a commercial concern it is frequently desirable to take advantage of a favourable market to purchase raw material but this might be quite impossible if the powers of the Superintendent of the concern in regard to expenditure were limited by the ordinary rules of budgetary control. A special system has therefore been devised to give flexibility to financial arrangements for a Government commercial concern and the rules governing it are prescribed in Chapter 2 of the Account Code. It provides for the practically complete emancipation from the ordi-
nary form of budget control of the Superintendent of a Government commercial concern to which the system is applied, for his being given working capital, and for his being allowed to recoup his working capital by utilising receipts. Parliamentary control is provided by certain links between the accounts of the concern and Government accounts, the result being that the Legislature can always control both (1) the investment of capital in the concern, and (2) the general working of the concern itself as the final profit or loss is recorded in the Government accounts, and due provision has to be made for the estimated figure in the budget. Clearly there must be safeguards in the application of such a system and these have not been omitted. The Chapter 2 arrangement is not applied to a Government commercial concern as a matter of course; it is sanctioned by the Auditor General only after careful enquiry and after he is satisfied that (1) Government has prescribed a suitable schedule of powers which the Superintendent of the concern must observe, and (2) a proper system of commercial accounts has been installed.

6. The majority of the Government commercial concerns have not yet been brought under the rules in Chapter 2 of the Account Code. At non-Chapter 2 concerns commercial books to record cash, stores and costing transactions are maintained in addition to the ordinary Government accounts to facilitate the preparation of Manufacturing, Trading and Profit and Loss Accounts and Balance Sheets. In such cases the Commercial Audit Branch audit the commercial accounts only. Non-Chapter 2 concerns prepare and present bills on the treasury for their expenditure like any Government office and they pay their receipts into the treasury. In the commercial accounts of the concern, "Withdrawals from the treasury," and "Remittances into the treasury" are accounted for, and at the close of the year these accounts are closed by credit and debit to "Government Capital Accounts"; for whatever Government pays to a concern increases the capital invested by Government in it and whatever money is returned by the concern decreases the capital invested by Government in the concern. Such concerns cannot be considered to have any specific working capital. When at the end of a year, the Profit and Loss Account is drawn up, the net profit is added to the Government Capital Account and so also are any liabilities of the concern to Government for leave, pension and passage contributions on account of permanent employees, bonus for provident funds, audit fees, interest and depreciation charges.

7. It will therefore be seen that Government Commercial concerns come under two categories—(a) those for which p.o. forma accounts are prepared and (b) those coming under the rules in Chapter 2 of the Account Code. The Central concerns in category (a) are—

1. His Majesty's Mints, Bombay and Calcutta.
2. Imperial Institute of Animal Husbandry and Dairying, Bangalore.
4. Imperial Cattle Breeding Farm, Karnal.
5. Agricultural Research Institute, Pusa.
6. Imperial Institute of Veterinary Research, Muktesar.
8. Opium Factory (Cost accounts), Ghazipur.
9. Northern India Salt Revenue Department (Manufacturing Department), Delhi.
10. Indian Lighthouse Administration (Headquarters and Lighthouse Districts).
15. Forest Department, Andamans.
16. Commissariat Department, Andamans (Butchery, Bakery, Dairy, etc.).
17. Marine Department, Andamans.

The following has been brought under the rules in Chapter 2 of the Account Code—category (b)—

The Security Printing, India, including the Central Stamp Store, Nasik Road.

8. The Manufacturing and/or Trading and Profit and Loss Accounts and Balance Sheets given in this volume have been prepared on the principles that are adopted in ordinary commercial accounting practice and it is not necessary to explain to the members of the Public Accounts Committee in detail the nature of all the items to be found in them. It is always borne in mind that if such accounts are to be really intelligible each item, however small, should be self-explanatory or accompanied by an explanation. It might, however, be useful to offer a few remarks on the more important points to be considered when examining these accounts. It will be seen that in certain respects the accounts differ in form of presentation. It is not possible to prepare forms which would be suitable for the many types of Government commercial concerns. The majority of these concerns are manufacturing concerns. They purchase raw material for conversion, after perhaps going through many processes, into finished articles for issue to other Government Departments or for sale to the public. The raw materials differ so much in nature that no standard form can be laid down as being applicable to all cases.

9. The Manufacturing and Trading and Profit and Loss Accounts are the statements which demand the most careful attention. They present the result of the actual working of a concern for a period as opposed to its financial position at any given date. When examining such accounts the main point is to ascertain if a concern is making all the profit it should after taking into consideration educational and research activities, if any. Where the concerns have an educational and research side, as for example in the Farms, efforts have been made to show as far as possible the financial results of these activities separately from the commercial activities. The indirect charges include interest, leave and pension contributions and provident fund benefits, audit fees, supervision and direction charges. In special cases and under orders of Government these charges have not been shown in the body of the accounts but in footnotes. Interest is charged at 3-3252 per cent. on all Capital expenditure up to the end of 1916-17 and for subsequent capital expenditure at the average rate at which Government has borrowed money up to the year of
account. The supervision and direction charges are calculated on the average estimated time spent on the concern by the supervising officers. For the purposes of calculating leave and pension contributions, the concern is treated as if it were foreign service. Miscellaneous receipts and extraordinary receipts and charges not relating to the period of working are also shown separately in the accounts so that the net result of the year's working may better be exhibited. The costs of production are wherever possible extracted and commented upon. Before, however, a conclusion can be reached as to the efficiency with which a Government concern is working, the results shown have to be considered with reference to the policy of Government in the case of that particular concern.

10. A Manufacturing Account is an account drawn up to ascertain the cost of manufacture and deals with (1) Cost of raw materials, (2) Cost of bringing these materials to the factory, (3) Cost of labour employed in converting these materials into finished goods, (4) Expenses such as rent, rates and upkeep of factory, (5) Repairs to, upkeep of, and depreciation on Buildings, Plant and Machinery and (6) Motive Power.

11. A Trading and Profit and Loss Account is a statement prepared for the purpose of showing, firstly, what is the Gross Profit realised on goods sold after charging the cost of rendering such goods marketable and, secondly, the amount of Net Profit earned after charging general administration and office expenses plus interest on Capital. Three general questions to be considered are:

(1) Is the Gross Profit, i.e., the margin between the works cost plus selling expenses and selling price sufficient in amount to provide for necessary general expenses and for net profit?

(2) Are the expenses, taken as a whole, justified by the size of business?

(3) Are the percentages of Gross Profit and Net Profit on sales sufficiently high and are those percentages fairly constant?

12. In comparing the gross profit of one year with that of another it is true, theoretically, that the ratio of gross profit to sales is not affected by the amount of these sales. But in practice, the amount of sales does affect the ratio. The explanation is that if a concern is equipped for a given normal output the prime cost per article on a maximum output will be somewhat less than the corresponding prime cost of an output of 75 per cent. of the maximum. This is not a question of standing expenses; it is one of pure prime cost. When working at full capacity it is usual that the workers work at their best. When, therefore, it is noticed that with slack times the rate of gross profit goes down the explanation is not necessarily that prices have gone down, but it is probable that with slackness has come a falling off in the efficiency of the factory as a whole. Gross profit shows clearly the margin between works cost plus selling expenses and selling price but it does not show, and cannot show, how the buying and selling respectively contribute to this result. If the rate is very low this may be due to bad buying or wasteful use of labour or material which are matters affecting the producing side of the accounts or it may be due to selling at too low a price. In practice a small gross profit is often due to all these faults. Directly the accounts for several years are put together and compared, a great deal of additional light is let in upon the concern, and much valuable information obtained.
13. Expenses which appear in the Profit and Loss Account have also some relation to turnover but not that close and direct relation which works cost of manufacture has. For example, rent, salaries and general office expenses are not materially affected by an ordinary increase or diminution in the year’s sales. They have to be paid irrespective of the value of the year’s receipts. To show therefore the exact proportion which each item in the Profit and Loss Account bears to sales or to purchases or to labour gives little information which leads to useful action. Nevertheless, the various headings in the Profit and Loss account should be compared with corresponding figures for previous years. Where comparative Profit and Loss accounts for two or three years are prepared there is no limit to the questions which may be asked on the accounts. All important fluctuations should be noted and if a question does not always hit the intended mark it sometimes calls forth other information equally valuable.

14. A Balance Sheet is a classified summary of the debit and the credit balances remaining in the ledgers after the Manufacturing and Trading and Profit and Loss Accounts have been prepared. On one side it contains the assets of the concern and on the other the liabilities, capital, reserves and the balance, if any, at the credit of Profit and Loss Account. It might be useful to offer a few remarks on some of the important items special to the Balance Sheets of Government commercial concerns.

**Government Capital Account.**—When it is decided to introduce commercial accounts in a Government concern the first step taken is to value all its assets and to ascertain all its liabilities on that date. The difference between the aggregate of the values of the assets and the aggregate of the liabilities is taken to the head “Government Capital Account.” The commercial books are opened by debiting the several asset accounts and crediting the liability and “Government Capital” accounts. The procedure adopted thereafter with regard to receipts and payments of the concern varies according to whether the concern works under the rules in Chapter 2 of the Account Code or not.

**Government (Suspense) Account.**—This occurs on the Liability side, of the Balance Sheets of Chapter 2 concerns. The amounts payable by a concern to Government on account of interest on capital, leave, pension and provident fund contributions, audit fees, etc., are taken to this head by debit to the Profit and Loss Account. The concern either discharges this liability by issuing a cheque in favour of Government on its Personal Ledger Account or the Accountant General, on receipt of a copy of the Balance Sheet, withdraws the amount from the Personal Ledger Account and intimates the fact of the withdrawal to the concern so that the necessary account entries in connection with the reduction in the balance of the Personal Ledger Account may be made.

**Depreciation Reserve.**—In the Balance Sheets included in this Appendix the fixed assets are, as a general rule, shown at their original value or at their value at the time of the inauguration of the commercial accounts in the concerns. The depreciation provided for them is taken to the head “Depreciation Reserve.” The depreciation is usually written off on the “Straight line” method, and a register of all the assets, showing the details of the depreciation.
provided on each asset working up to the total of the reserve in the Balance Sheet, is maintained in the concern. The rates of depreciation have been fixed on the assumption that all ordinary maintenance and repair charges will be debited to revenue and the sanction of competent authority is taken before any amounts are debited to depreciation reserve on renewals and replacements.

Land.—The amounts shown under this head include only amounts actually paid by Government for land and do not include any value for lands for which Government itself had not to pay though such lands may now be worth a considerable amount.

Other Fixed Assets.—As in ordinary commercial practice, the value placed in the Balance Sheets on these assets is the amount ascertained actually to have been spent on them or, where the actual value is not available, an estimate of the amount spent. Where a different basis of valuation, e.g., cost of present replacement with due regard to the condition of the asset, has to be adopted for special reasons, the orders of competent authority are obtained. The market value of these assets at any time will differ from the value at which these assets are shown in the Balance Sheet.

Live Stock.—This is generally valued by a competent technical expert who is not immediately in charge of the concern. Appreciation as well as depreciation is taken into account.

Floating Assets.—Floating Assets such as consumable stores, stock in trade, work in progress, etc., are valued with reference to market price or cost price whichever is less. Stock-taking, as far as possible by an agency independent of the concern, is insisted on and it is seen that orders of competent authority are obtained for writing off the value of unserviceable and lost stores.

15. There is not usually much to comment on in a Balance Sheet. This statement does not show whether or not assets such as buildings are well situated and suitable for their purpose, but in the case of buildings one may form some idea as to whether a rent based on their value is, or is not, too large a charge for the business to bear. It should be ascertained what charge has been made against Revenue in each year by way of depreciation and upkeep of buildings and other fixed assets. General points to consider in a Balance Sheet are:

(a) Are the fixed assets suitable to the business both in character and value?

(b) Does the business justify large additions to fixed assets?

(c) Is the quantity of stores on hand maintained at a proper level and unnecessary accumulations avoided thereby diminishing the necessity for writing off stores which become obsolete or depreciate in one way or another?

(d) What is the relation between the amount of the Debtors and the amount of the Creditors? It is generally accepted that book debts should exceed in total the trade liabilities. If credit sales exceed credit purchases (as they generally do) the value of the debtors accounts should exceed the value of the creditors.
SECTION 2.

16. The audited accounts of the following concerns appear in the appendix for the first time:

(1) Indian Lighthouse Administration which includes the following Lighthouse Districts:
   Karachi, Bombay, Aden, Madras, Rangoon and Calcutta.
(2) Commercial concerns in the Andamans:
   Forest Department,
   Marine Department,
   Shipping Office,
   Commissariat (Bakery, Butchery and Dairy Farm).

17. (a) It will be seen that the accounts for the Opium Department for the two years 1928-29 and 1929-30 have been included in this volume. The Opium manufacturing year is from 1st October to 30th September. It was not possible to include the accounts for 1928-29 in the appendix for that year as the audit had not been completed by the time the volume had to go to press.

(b) Full details of manufacturing charges of the Northern India Salt Revenue Department have now been given together with the corresponding figures for the previous year (vide para. 152).

18. The accounts of the following new concerns were commercialised during the year 1930-31 and the first annual accounts will appear in the 1930-31 appendix:

2. Indian State Broadcasting Service.
3. Indian State Air Service.
4. The Imperial Veterinary Serum Institute, Izatnagar.

19. In respect of practically every concern the accounts for the years 1928-29 and 1929-30 are given in this volume and in many cases comparative figures for earlier years are given in the reviews under the heading "Summary of results." In paragraph 12 of the report of the Central Public Accounts Committee on the accounts of the year 1928-29 the Committee made it clear that what they want is a comparison of the results of a series of years including those of the latest year for which audited figures can be made available. Provided the Public Accounts Committee meetings are in future held not earlier than August in each year it should be possible to complete the audit of a few of the Government of India concerns for the latest financial year, viz., for the year immediately preceding that during which the Public Accounts Committee meets and to furnish the required information in the form of a memorandum to the Public Accounts Committee. As the Appendix containing accounts and reviews is sent to press in the month of January following the year to which the Appendix relates it is not feasible to incorporate the figures.
for the next financial year in the Appendix. A Memorandum in the following form giving figures in respect of accounts for 1930-31 which have been audited will, however, be furnished to members of the Public Accounts Committee:

<table>
<thead>
<tr>
<th>Grant No.</th>
<th>Name of concern</th>
<th>Particulars</th>
<th>Year 1930-31 (latest financial year)</th>
<th>Year 1929-30 as per Appendix</th>
<th>Brief notes on important fluctuations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>Turnover</td>
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<td>Gross Profit</td>
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<td>Gross Loss</td>
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<td>Percentage of Gross Profit to turnover.</td>
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<td>Net Profit</td>
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<td>Net Loss</td>
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<td>Percentage of Net Profit to turnover.</td>
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20. One of the most noticeable charges appearing in the accounts and referred to in the reviews which follow relates to the important item "Loss on Stores". This indicates that in the past sufficient attention has not been directed to control over waste and leakage. In every concern it is practicable to maintain a reliable record of stores and stock and to enforce safe control and the Commercial Audit Branch invariably place before Government the indisputable advantage of such a course. Although efforts have been made to improve control over stores and stock it is doubtful if the real importance of watching the stores and transactions thereon very carefully is yet fully realised by some Superintendents in charge of concerns. The importance cannot be overestimated, especially when stocks are very large. In the majority of cases the items written off during 1929-30 represent losses which doubtless might have been spread over several years if stock-taking and general control had been more reliable in the past. A portion of the loss may have been unavoidable but as this question arises in the majority of concerns when accounts are first commercialised and local audits conducted by the Commercial Audit Branch the point deserves comment. Stores losses frequently come under the preventable category. It is known that the value shown against stores in more than one Balance Sheet is still higher than it should be and it is probable that further losses will appear in the accounts for 1930-31. If Stores and Stock are considered as of the same importance as cash and accounted for with equal care there will be fewer debits in the accounts in respect of losses due to theft, breakages, shrinkage, evaporation, obsolescence, over-production or over-purchase.

21. However safe a system of stores accounting may be losses will occur if internal control is not equally sound. Superintendents should make it their business to take a greater personal interest in the stores for which they are responsible. Apart from annual stock-taking and periodical checking by some one—preferably unconnected with the concern—the Superintendents should visit their stores at frequent intervals and make a physical check of a few items. It may not be realised that the accuracy of the
quantities and valuation of stores and stock in hand has an important effect on the ascertainment of true trading profits. If stores are over-valued at the end of a trading period; profits for the period must be overstated and costs of production will be erroneous. Equally important is the fact that when errors are discovered in a subsequent period the results then disclosed will not fairly represent the profit or loss for that period. The comparison of percentages of Gross Profits to turnover is a general check against fraud and losses in stores and variations in the method of valuation have an important effect on such percentages. These percentages will vary from time to time at every concern but this should be within reasonable limits—period by period—always considering cases where the trade is seasonal.

22. In the majority of Government commercial concerns losses on stores are written off from time to time and attention might be directed to securing greater stores supervision and accuracy in maintaining the records. Purchases should be restricted to actual requirements to avoid locking up stores unnecessarily and above all it must be realised that material is money. The general principles are laid down in the Manual of the Commercial Audit Branch copies of which should be in the office of every Government commercial concern.

23. Closely allied to the question of losses on stores referred to in the preceding paragraphs is that of the annual verification of stores and stocks by an agency unconnected with the concern. The question of the desirability of appointing general stock-verifiers has been engaging attention for some time. Stock-verifiers have been working for one Provincial Government for several years. Departments of Government controlling concerns and Superintendents of concerns were addressed on the matter and almost without exception they did not support the proposal; their reasons being that concerns under the Government of India or Provincial Governments were too scattered and of too varied a nature to justify the adoption of the system. It has also been pointed out that it would be difficult to find men possessing the necessary wide technical knowledge and that Government might not entertain such a proposal because the men would doubtless demand a high salary. In the Province referred to above stock-verifiers work mainly at concerns situated in one locality where they deal with stock at Public Works Department Stores, Dockyards, Dredgers, Quarries, Brickfields, etc. Although there are practical difficulties in the appointment of one or more stock-verifiers such appointments are welcomed by audit. If suitable men could be found it has been suggested that they might be made responsible to the Finance Department of the Government of India but the Director of Commercial Audit could be consulted in regard to their work programmes. It is doubtful, however, whether the right men are available.

24. At certain Government of India commercial concerns stock is taken and valued annually by an official either unconnected with the concern or sent from the office of the Government department controlling the concern, but in other cases the necessary check is made by the Superintendent in charge of the concern or by one of his staff deputed for the purpose. The Commercial Audit Branch now require a certificate from Superintendents stating that all items of stocks and stores of any description whatever have been verified on some date or dates during the period under audit and that the stores and
stock on hand as at the close of business on the last date of the trading period have been valued at cost or market price whichever is lower and that they consist of serviceable stores required for use. It is not part of Auditors’ duty to take stock. He is justified in relying upon the certificates granted by experts. Certificates are accepted but not without examination and enquiry and the application of such tests as are available, not merely as a safeguard against dishonesty but to ensure that errors of principle in regard to valuation have not been made. It will be seen that the auditor is to a large extent in the hands of the management but the cost records and the comparison of the percentages shown by the accounts of other trading periods provide an independent check which may lead the auditor to the conclusion that the stock valuations are unsatisfactory. It is not possible to methodise stock-taking owing to great differences in the form of raw material used at the various concerns and in the stores either consumed or otherwise used in converting these raw materials into finished products.

25. Minor losses have also taken place at a few concerns on sale of old Plant, Machinery and Furniture due to the inadequacy of depreciation written off in the past. On the other hand there are instances this year of capital assets having been fully depreciated while these assets will probably have a future working life of several years, meaning, of course, that depreciation has been written off at too high a rate. These points affect profit percentages. It is a difficult matter for auditors to satisfy themselves that depreciation rates on special plant and machinery are suitable and to prevent over or under debits in the accounts in respect of depreciation the Superintendents of concerns have been asked to consider the rates of depreciation adopted for writing down their assets every two years and in consultation with the Commercial Audit Officer obtain the necessary authority for changing the rates where found desirable.

26. An audit certificate in the usual form is ordinarily given by the Audit Officers of this Branch on the Balance Sheet of each concern the accounts of which are audited by them. The certificate is given below and to avoid repetition it has not been printed at the foot of each Balance Sheet in this volume.

“I certify that I have obtained all the information and explanations that I required and that, subject to the remarks in the Audit Report, the Balance Sheet exhibits, in my opinion, the true position of .......... (name of concern) .........., according to the best of my information and explanations given me and as shown by the books of .......... (name of concern).

(Signed) .......... Audit Officer.”

27. Any remarks in the several audit reports which have qualified the position shown in the Balance Sheets or are of sufficient importance to be included in this Appendix have been given in the paragraphs relating to the various concerns.

NEW DELHI;
17th March 1911.

D. COLIN CAMPBELL,
Director of Commercial Audit.
28. Statement showing the action taken or proposed to be taken on recommendations made by the Public Accounts Committees (relating to Commercial Undertakings).

<table>
<thead>
<tr>
<th>Serial No. (reference to P. A. C.'s Report for 1929-30)</th>
<th>Reference to Appendix to last report</th>
<th>Year of Report</th>
<th>Para. of Report or Proceedings</th>
<th>Recommendations, observations or promises</th>
<th>Action taken or proposed to be taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>II-29</td>
<td>1927-28</td>
<td>58 B That when preparing the accounts of the Dairy Farm and the Slaughter House in the Andamans on a commercial basis, the Auditor General should consider whether any portion of the loss on the working of these undertakings can properly be charged against the Army estimates.</td>
<td>The matter is under the consideration of the Auditor General.</td>
</tr>
<tr>
<td>2</td>
<td>4</td>
<td></td>
<td>1928-29</td>
<td>109 P That it would be interesting to have, from the Director of Commercial Audit in 1931, a general note on the stock-taking system and the methods of inspection.</td>
<td>Attention is invited to paragraphs 23 and 24 of this volume.</td>
</tr>
<tr>
<td>3</td>
<td>11</td>
<td></td>
<td>1928-29</td>
<td>67 P That there should be further discussion between the Central Board of Revenue, the Auditor General and the Director of Commercial Audit in order that they might arrive at an agreed calculation of the extra cost involved in maintaining a ledger and journal for the Northern India Salt Revenue Department.</td>
<td>The matter is under consideration. Attention is invited to paragraph 148 of this Appendix.</td>
</tr>
<tr>
<td>4</td>
<td>12</td>
<td></td>
<td>1928-29</td>
<td>68 P (a) That in connection with the Northern India Salt Revenue Department, the allocation of the expenditure relating to royalties and compensations to the various salt sources in the commercial accounts should be reviewed in order that an unduly large proportion of it might not be charged to a particular source. (b) That the payments to Indian States should be reviewed in connection with the recommendations made in the Butler Committee's Report.</td>
<td>Action is being taken.</td>
</tr>
</tbody>
</table>

**APPENDIX TO THE APPROPRIATION ACCOUNTS OF THE**
60 P That in future the reports, which would be prepared by the
Superintendents of Government Commercial concerns,
should contain fuller explanations of variations in the cost
of production, etc., e.g., of Salt.

63 P That figures relating to losses of opinion should be given in
future reports for a series of years in order that the
Committee might be in a position to see whether the loss
was going up or coming down.

COMMERCIAL

62 P That, if the arrangement relating to the Persian Gulf Lighting
Service Fund was intended to be one which put upon the
Shipping Companies the obligation to pay due to meet the
expenses of the services, then interest on the capital ought
to be included in the expenses.

Government orders are
awaited.

EDUCATION, HEALTH AND LANDS.

49 R That the question of keeping Cinehons accounts on a commer-
cial basis in respect of the transactions of the Government
of India be taken up as early as possible.

50 R That steps should be taken to place matters in regard to the
verification of stocks of cinehons bark at Mungpo on a
satisfactory footing.

109 P That the settlement of the question should be expedited in
consultation with the Government of Bengal.

105 P That the policy of Government in regard to the prices of
veterinary products should be reconsidered when the intro-
duction of commercial accounts at Irinagar had brought
out the true financial results.

106 P That the question of the introduction of a proper system in
the Mathematical Instrument Office at Calcutta should be
settled between the Department of Education, Health and
Lands and the Director of Commercial Audit.

The question of the intro-
duction of the commercial
system of accounts has
been dropped by the
Bengal Government.

Investigation by an officer
of the Commercial Audit
Branch has been complet-
ed and a report will be
issued to Government.

Action is being taken.
Please see paragraph 224
of this Appendix.
<table>
<thead>
<tr>
<th>Serial No.</th>
<th>Reference to Appendix to last report.</th>
<th>Year of Report or Proceedings</th>
<th>Recommendations, observations or promises.</th>
<th>Action taken or proposed to be taken.</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>27</td>
<td>1928-29</td>
<td>107 P That the differences between the book values and market values of the stores at the Mathematical Instrument Office at Calcutta should be adjusted as soon as possible under proper sanction.</td>
<td>Government orders issued in January, 1931.</td>
</tr>
<tr>
<td>13</td>
<td>48</td>
<td>1928-29</td>
<td>12 R That in regard to the reviews of Government Commercial concerns in the Civil Department, the Committee want a comparison of the results of a series of years including those of the latest year for which audited figures can be made available and that the Finance Department should pursue the question of speeding up audited figures for the purpose.</td>
<td>Noted. Attention is invited to paragraph 19 of this Appendix.</td>
</tr>
<tr>
<td>14</td>
<td>57</td>
<td>1928-29</td>
<td>71 P That the accounts of the Opium Department for the year ending 30th September 1928 might be circulated with the first Quarterly Statement which would go to the members of the Committee in accordance with the procedure laid down in paragraph 4 of the Finance Department Resolution of the 13th June 1930.</td>
<td>Noted. Please also see paragraphs 154 to 184 of this Appendix.</td>
</tr>
<tr>
<td>15</td>
<td>59</td>
<td>1928-29</td>
<td>129 P That a suitable note should be inserted in the Appropriation Accounts in cases in which any change of importance is made.</td>
<td>Noted. Attention is invited to paragraph 18 of this Appendix.</td>
</tr>
<tr>
<td>10</td>
<td>72</td>
<td>III-25 1926-27</td>
<td>59 R That the question of the form in which the pro forma profit and loss accounts in respect of S. S. &quot;Maharaja&quot; should be prepared and the question of placing the Commissariat Department on a commercial basis should be settled early.</td>
<td>Accounts drawn up on commercial lines are given in this Appendix.</td>
</tr>
</tbody>
</table>
CHAPTER II.

Government of India—Finance Department concerns.

SECURITY PRINTING INDIA.


29. As this is the first annual report to be presented a short résumé of the previous history and the scope of the Press will form a useful preface.

30. The Press was built in 1924-25 and the first products were issued in November 1925 less than fourteen months after the ground was first broken. The building and setting to work of the Press have already formed the subject of a report to Government and a communiqué thereon appeared in the Supplement to the Gazette of India, dated the 22nd January 1927.

31. The Press was designed for an output of the manufacturing value (not face value) of from 18 to 20 lakhs of rupees. The data on which this figure was arrived were however faulty and the actual requirements were found to average over Rs. 24 lakhs worth. Thus the annual sales starting with the first year of complete working of the Press have been as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927-28</td>
<td>20,86,837</td>
</tr>
<tr>
<td>1928-29</td>
<td>28,96,283</td>
</tr>
<tr>
<td>1929-30</td>
<td>24,96,470</td>
</tr>
</tbody>
</table>

These figures of sales are somewhat swollen by extra production to provide reserves not only in the Central Stamp Store which now forms part of the Press but also in all Treasuries in conformity with the latest rules, issued by the Central Board of Revenues, controlling the supply and issue of stamps.

32. Though at the time of writing this report there is a slackening of demand, probably due to financial depression, and possibly to the political situation also, it seems probable that the extra supply now necessary to complete the building up of stocks, will be required in future, and have to be gradually increased, to meet the normal expansion of demand.

33. Security Printing has two distinct sides, the Press and the Central Stamp Store, the former under the Deputy Master and the latter under the Deputy Controller of Stamps, both under the general supervision of the Master. All manufacturing and bulk packing of such products as are manufactured in very large quantities, e.g., postcards and embossed one anna envelopes, are carried out in the Press. The Press is divided into seven main sections:

(i) Offset Lithography by which process the impressed stamps both court-fee and non-judicial, of which very large quantities are used, are printed. In addition this section prints the paper for registration envelopes, overprints service postage stamps,
prints the bulk of the labels used for banding in all the other departments, Treasury bills, post office cash certificates, and when an extra supply is necessary postcards can also be produced.

(ii) Letterpress, in which section the existing postage, adhesive court-fee and other revenue stamps are printed and perforated, and a small amount of typographical printing for labels and forms is carried out, while postcards are also printed in the sheet when necessary to supplement the supply from the sub-section attached which prints, cuts up, and counts automatically ordinary and reply paid postcards.

(iii) The envelope section embosses and manufactures one anna square and commercial envelopes, and registration envelopes in three sizes and in addition makes up one anna and two anna postage stamps received from the letterpress department into booklets.

(iv) The bindery or odd job department makes up waste cuttings into pads and memorandum books for departmental use and rules and binds departmental account books and forms both for Security Printing and for the Currency Note Press.

(v) The photo-engraving department carries out all the work of designing and producing zinc plates for offset lithographic printing, and etched plates for letterpress printing, both for Security Printing and for the Currency Note Press. It will be equipped shortly with a modern electro-typing plant for the production of fine letterpress plates.

(vi) The Workshops, to which is attached a wood working shop for the manufacture of all packing cases, plain and zinc lined, for both the Presses, carries out all repairs to machinery and buildings and also is responsible for the running and maintenance of the electric Power House which provides the current for the machinery and lighting of both Presses including the flood lighting for night protection and for the roads of the Estate and the residential buildings. The Power House is equipped with solid injection oil engines. The whole of this section is common to the two Presses.

(vii) There are the necessary stores for the accommodation of the large quantities of paper of many kinds which the press uses. This ranges from a high quality hand made paper costing perhaps Rs. 3 a pound, used in small quantities, to postcard board in reels costing Rs. 373 a ton of which the annual consumption is in the neighbourhood of 1,500 tons, while large quantities of cheap wrapping papers are also used.

24. The personnel is composed of the administrative staff:—

The Master, also ex-officio Controller of Stamps, who is in general charge and also administers the Currency Note Press, the Deputy Master who is directly responsible for Security Printing, and the Deputy Controller of Stamps who is in charge of the Central Stamp Store which receives the products of
the Press and distributes them as required to some 1,300 Treasuries and sub-
Treasuries throughout India and Burma; the technical staff—Offset and
letterpress printers, etc., and the artist engraver with assistants; the Control
staff which is responsible for the receipt by the printers, of the necessary
quantities of paper and the deliveries and examination of the finished products
and the destruction of waste, for the prevention of pilfering and the correctness
of the quantities issued to the Central Stamp Store; the clerical and accounts
staff with obvious duties; the watch and ward; and lastly, the daily paid
operatives, by far the greater part locally recruited from the neighbouring
villages, and of whom few if any have ever been employed in a press before.
In this connection it is interesting to note that it has been found by experience
that men new to the work, trained to the methods and standards required,
are far more satisfactory than men who have had previous experience in other
presses. While the training takes some time and calls for much patience and
sympathy on the part of the supervisors this is all well paid for in the result.

35. The fixed capital account of the Press and Central Stamp Store stands at
the end of the year at some Rs. 48 lakhs. Calculation has shown that up to
30th September 1929 the Press has charged less to the Central and Provincial
Governments for its products than would have been the cost under the rates
ruling in 1924, when the building was started, by almost exactly Rs. 50 lakhs.
In addition the total nett profit, after paying interest on the capital found
by Government realised from the start of work has been Rs. 7,60,000 very
nearly, after deduction of a nett loss of Rs. 1,26,000 in the first year of working
(1926-27). India has therefore gained largely by the installation of the Press
and if it ceased to function to-morrow it would still have paid for itself hand-
somely.

36. Turning now from this introductory description, which will not be
necessary in future annual reports, the following figures showing the amounts
of sundry of the larger items produced at the Press and issued to Treasuries,
etc., during the year may be of interest.

**Issues during 1929-30.**

<table>
<thead>
<tr>
<th>Postcards</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>205½</td>
</tr>
<tr>
<td>Reply paid</td>
<td>77</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Envelopes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Square (one anna)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impressed Stamps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Judicial and Non-Judicial (anna series)</td>
</tr>
<tr>
<td>Madras Copy Stamps</td>
</tr>
</tbody>
</table>

These figures for the preceding year 1928-29 were as follows:

<table>
<thead>
<tr>
<th>Postcards</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>274½</td>
</tr>
<tr>
<td>Reply paid</td>
<td>93</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Envelopes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Square (one anna)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impressed Stamps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Judicial and Non-Judicial (anna series)</td>
</tr>
<tr>
<td>Madras Copy Stamps (newly introduced)</td>
</tr>
</tbody>
</table>
37. As will be seen from the audit report the nett profit for the year, after providing for leave and pension charges, interest, depreciation and write off of preliminary expenses, was less by some Rs. 35,000 than that of the preceding year and this is accounted for by the drop of Rs. 3,60,000 in sales. The percentage of profit to sales has however increased from 12.5 to 12.7 in spite of small additions to capital increasing the interest charges, increases in pay due to increments, and of a reduction of about 10 per cent. in the prices charged to consumers in the case of most of the items most largely used. It will be some years yet before the staff of such a new undertaking reaches the point at which retirements and consequent recruitments on lower pay bring the salary bill to a more stable figure. In the meantime there will tend to be a continuous rise in this item of expenditure.

38. From the figures it is clear that the Press was operating on the whole rather more economically in 1929-30 than in previous years. It is not however likely that continued improvement in this respect can be attained as in the earlier years when the concern was in its babyhood and there was much to be learnt and many preliminary difficulties to be discovered and overcome. Whilst it is not contended that perfection has been reached already there is very much less room for the introduction of new economies or cheaper methods. Any further improvement will therefore only be attained by constant close supervision and co-operation of all concerned.

39. The following new items were first issued during the year under report, viz.:

Air mail stamps of several denominations, and an eight anna air mail envelope complete with the air mail ticket to take communications weighing not more than ¼ oz.

A series of local postage stamps for the State of Junagadh with pictorial designs, including a portrait of the Maharaja, in two colours.

A fiscal stamp for Surguja State with a portrait of the Maharaja.

British Indian Stamps both postal and fiscal for various States, including Kuwait, the Feudatory States of Bihar and Orissa and the Central Provinces.

Trust Interest Payment Order forms for the Controller of the Currency.

Post Office Cash Certificates of the 1929 issue.

40. The only notable addition to the machinery of the Press during the year were two duplex envelope making machines to cope with the insatiable demand of the Public for the one anna embossed square envelope, due to its supply at the price of the stamp alone. The output of these machines is nominally 480 envelopes a minute.

41. The policy of housing the personnel in sanitary quarters in the proximity of the Press has fully justified itself, not only in the comfort and excellent general health of the staff and labour, but also in immunity from epidemics raging in the immediate neighbourhood. During 1928-29 cholera was virulent all round. In 1929-30 plague was very common in the near neighbourhood. In neither year did any case of either disease occur in the Press quarters.

42. The audited balance sheet, trading and profit and loss account and the stores account for the year appearing below give a full picture of the finan-
cial position of the Press and call for no special comment. The variations from the similar accounts of the previous year are only such as are to be expected in the case of a manufacturing concern, using raw materials of varying values and producing finished goods into which varying quantities of work have to be put, in proportions which necessarily alter from year to year according to the requirements of consumers. It may be mentioned however that the growing figure for "Ending Balance of Stock" is due to the building up of the reserves which have to be kept under the rules for the storage and distribution of stamps. This reserve will be completed in the year 1930-31 and thereafter under ordinary circumstances this item will remain at or almost the same figure, except for unforeseen circumstances which the reserve is provided to meet.

43. I should like here to acknowledge the kindly help I have received and am receiving from the Commercial Audit Department. With my long previous experience in the Mint of attempting to conduct the accounts of a manufacturing department under an audit designed only for ordinary Government accounts, I am strengthened in my view after four years working under the audit of the new department, that it is greatly in the interests of country that the results of State trading should be thus ascertained. The ordinary system of Government accounts does not provide any accurate financial picture of a manufacturing concern.

SECTION II.—REMARKS BY THE DIRECTOR OF COMMERCIAL AUDIT.

44. Summary of results:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sales</td>
<td>24,96,470</td>
<td>28,56,284</td>
<td>20,86,837</td>
</tr>
<tr>
<td>Cost of Goods sold</td>
<td>19,22,479</td>
<td>21,83,671</td>
<td>16,73,755</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>5,73,992</td>
<td>6,72,613</td>
<td>4,13,082</td>
</tr>
<tr>
<td>Interest on Capital</td>
<td>2,71,475</td>
<td>2,83,942</td>
<td>2,23,909</td>
</tr>
<tr>
<td>General charges (less miscellaneous receipts)</td>
<td>19,433</td>
<td>31,410</td>
<td>17,934</td>
</tr>
<tr>
<td>Net Profit</td>
<td>3,21,050</td>
<td>3,57,261</td>
<td>2,07,107</td>
</tr>
<tr>
<td>Capital</td>
<td>48,03,562</td>
<td>48,03,582</td>
<td>43,36,753</td>
</tr>
<tr>
<td>Percentage of Net Profit on Capital</td>
<td>6-6</td>
<td>7-4</td>
<td>4-8</td>
</tr>
</tbody>
</table>
45. The cost of production amounted to Rs. 20,39,050 in 1929-30, the
details of which are set out below. In 1928-29 the cost of production amounted
to Rs. 21,42,334 and in 1927-28 to Rs. 21,09,218.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials used</td>
<td>13,60,411</td>
<td>50-0</td>
<td>50-6</td>
<td>56-9</td>
</tr>
<tr>
<td>Operative wages and salaries</td>
<td>83,640</td>
<td>3-1</td>
<td>2-8</td>
<td>3-3</td>
</tr>
<tr>
<td>Control wages</td>
<td>45,284</td>
<td>1-7</td>
<td>1-4</td>
<td>1-6</td>
</tr>
<tr>
<td>Packing</td>
<td>1,20,309</td>
<td>4-4</td>
<td>3-8</td>
<td>3-7</td>
</tr>
<tr>
<td>Indirect charges</td>
<td>3,33,031</td>
<td>14-5</td>
<td>14-8</td>
<td>17-8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>20,02,865</td>
<td>73-7</td>
<td>73-3</td>
<td>83-3</td>
</tr>
<tr>
<td>Adhesive stamps transferred to booklets</td>
<td>28,855</td>
<td>1-6</td>
<td>-6</td>
<td>-8</td>
</tr>
<tr>
<td>Add opening balance of work in progress</td>
<td>37,933</td>
<td>2-1</td>
<td>1-3</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>20,89,183</td>
<td>75-6</td>
<td>75-2</td>
<td>85-0</td>
</tr>
<tr>
<td>Less closing balance of work in progress</td>
<td>50,123</td>
<td>1-8</td>
<td>2-0</td>
<td>1-5</td>
</tr>
<tr>
<td><strong>Cost of Production</strong></td>
<td>20,39,050</td>
<td>75-0</td>
<td>73-2</td>
<td>83-5</td>
</tr>
<tr>
<td><strong>Value of outturn</strong></td>
<td>27,17,449</td>
<td></td>
<td>29,26,162</td>
<td>25,22,439</td>
</tr>
</tbody>
</table>

The rate at which the outturn of 1929-30 was valued was approximately
10 per cent. lower than it was in previous years. This reduction has reacted
on the cost percentages of 1929-30 which are higher than they were in 1928-29.

46. The sales amounted to Rs. 24,96,470 in 1929-30 and to Rs. 28,56,284
in the previous year.

<table>
<thead>
<tr>
<th>Department</th>
<th>1929-30.</th>
<th>1928-29.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Offset</td>
<td>5,57,960</td>
<td>6,32,670</td>
</tr>
<tr>
<td>Embossed envelopes</td>
<td>4,99,450</td>
<td>6,03,375</td>
</tr>
<tr>
<td>Registration</td>
<td>1,77,002</td>
<td>2,26,174</td>
</tr>
<tr>
<td>Post cards</td>
<td>9,48,917</td>
<td>10,67,481</td>
</tr>
<tr>
<td>Adhesive stamps</td>
<td>2,61,064</td>
<td>2,74,772</td>
</tr>
<tr>
<td>Booklets</td>
<td>54,971</td>
<td>55,803</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>24,96,470</td>
<td>28,56,284</td>
</tr>
</tbody>
</table>

Actually the sales of 1929-30 are normal. Those of the previous year were
higher because in it the smaller output in 1927-28, when the sales amounted
to only Rs. 20,86,837, was made good.

47. The gross profit before charging interest amounted to Rs. 5,73,99
in the year under review and to Rs. 6,72,613 in 1928-29. This represents
a yield of 22-9 per cent. on the turnover in 1929-30 and 23-5 per cent. in the
previous year.

48. The amount of profit or loss made by each Department after charging
interest Rs. 2,71,475 is set out below:—

<table>
<thead>
<tr>
<th>Department</th>
<th>Adjusted profit or loss</th>
<th>Percentage on sales</th>
<th>Percentage in 1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>Offset</td>
<td>-52,476</td>
<td>5,57,050</td>
<td>-9.40</td>
</tr>
<tr>
<td>Embossed envelopes</td>
<td>1,30,444</td>
<td>4,98,450</td>
<td>26.11</td>
</tr>
<tr>
<td>Registration envelopes</td>
<td>12,766</td>
<td>1,77,052</td>
<td>7.21</td>
</tr>
<tr>
<td>Post cards</td>
<td>2,23,708</td>
<td>9,48,817</td>
<td>23.57</td>
</tr>
<tr>
<td>Adhesive stamps</td>
<td>-40,471</td>
<td>2,61,094</td>
<td>-15.59</td>
</tr>
<tr>
<td>Booklets</td>
<td>28,849</td>
<td>53,971</td>
<td>54.40</td>
</tr>
<tr>
<td>Total</td>
<td>3,62,517</td>
<td>24,96,470</td>
<td>12.41</td>
</tr>
</tbody>
</table>

49. The net profit amounted to Rs. 3,21,950 in 1929-30 and to Rs. 3,57,261
in the previous year. Expressed in terms of the turnover this represents
a percentage of 12.9 in the year under review and to 12.5 in 1928-29. The
improvement can be traced to the increase in the amount of the miscellaneous
receipts and credit adjustments of this period, vide the Profit and Loss
account.

50. The percentages of waste on the outturn of the departments in this
and the previous year were as follows:—

<table>
<thead>
<tr>
<th>Department</th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offset</td>
<td>1.79</td>
<td>1.07</td>
</tr>
<tr>
<td>Registration envelopes</td>
<td>2.78</td>
<td>2.28</td>
</tr>
<tr>
<td>Adhesive stamps</td>
<td>1.69</td>
<td>2.09</td>
</tr>
<tr>
<td>Booklets</td>
<td>.91</td>
<td>2.02</td>
</tr>
</tbody>
</table>

The increase in the offset waste arose from the large amount of overprinting
carried out in the first half of the year under review. The heavier wastage
in the Registration envelopes was attributed to the manufacture of large
sized envelopes which are more susceptible of damage in process than are
those of medium and small size.

51. The following additional assets were purchased in 1929-30 under
competent sanction:—

- **Plant and Machinery**—
  - Four embossed envelopes making machines and two stamping machines—Rs. 18,557
  - One grinding machine—1,428
  - One automatic saw sharpener—624
  - Total—20,609

- **Furniture**—eight tables—240
  - Total—20,849
52. Minor equipment to the extent of Rs. 20,007 was written off in the year under review.

The details of this write off are:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engraved plates written off</td>
<td>18,364</td>
</tr>
<tr>
<td>Dandy rolls</td>
<td>626</td>
</tr>
<tr>
<td>Other equipment</td>
<td>1,017</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20,007</strong></td>
</tr>
</tbody>
</table>

53. The details of the stock and store balances on the 31st March 1930 are:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper, inks, etc.</td>
<td>9,71,338</td>
</tr>
<tr>
<td>Packing cases</td>
<td>3,620</td>
</tr>
<tr>
<td>Work in progress</td>
<td>50,133</td>
</tr>
<tr>
<td>Finished stocks</td>
<td>8,69,077</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,94,668</strong></td>
</tr>
</tbody>
</table>
## Balance Sheet as at 31st March 1930

<table>
<thead>
<tr>
<th>Liability/Account</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sundry Creditors</td>
<td>4,20,638</td>
<td>5,32,068</td>
</tr>
<tr>
<td>Government Suspense Account</td>
<td>3,28,391</td>
<td>5,07,506</td>
</tr>
<tr>
<td>Employees Security Deposits</td>
<td>4,020</td>
<td>4,598</td>
</tr>
<tr>
<td>Depreciation Reserve</td>
<td>3,19,161</td>
<td>4,33,355</td>
</tr>
<tr>
<td>Loan Reserve, etc.</td>
<td>11,844</td>
<td>9,499</td>
</tr>
<tr>
<td>Government Capital Account</td>
<td>48,03,582</td>
<td>48,28,058</td>
</tr>
<tr>
<td>Profit and Loss Account</td>
<td>3,57,261</td>
<td>4,77,933</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets/Account</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Land and Buildings</td>
<td>29,27,397</td>
<td>29,27,397</td>
</tr>
<tr>
<td>Electrical Installation</td>
<td>41,920</td>
<td>41,920</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>8,20,301</td>
<td>8,40,010</td>
</tr>
<tr>
<td>Minor Equipment</td>
<td>76,535</td>
<td>56,539</td>
</tr>
<tr>
<td>Furniture</td>
<td>53,026</td>
<td>53,266</td>
</tr>
<tr>
<td>Preliminary Expenses</td>
<td>1,81,825</td>
<td>1,06,477</td>
</tr>
<tr>
<td>Central Stamp Store Works, Preliminary</td>
<td>20,752</td>
<td></td>
</tr>
<tr>
<td>Expenses, Stocks and Stores</td>
<td>11,92,905</td>
<td>18,94,668</td>
</tr>
<tr>
<td>Sundry Debtors</td>
<td>3,96,617</td>
<td>4,29,097</td>
</tr>
<tr>
<td>Currency Note Press</td>
<td>43,320</td>
<td>53,407</td>
</tr>
<tr>
<td>Investment of Security Deposits</td>
<td>3,824</td>
<td>4,597</td>
</tr>
<tr>
<td>Cash in Bank in the Personal Ledger Account</td>
<td>4,76,740</td>
<td>3,78,614</td>
</tr>
<tr>
<td>Cash in hand, and stamps</td>
<td>7,729</td>
<td>6,123</td>
</tr>
</tbody>
</table>

**Total Liabilities** 62,42,897 67,93,017

**Total Assets** 62,42,897 67,93,017

---

**Signature:**

GEORGE WILLIS, Col., Master, Security Printing, India, Nasik Road.

A. K. NARASIMHACHARI, Accountant, Security Printing, India, Nasik Road.

E. PRICE, Assistant Director of Commercial Audit, Bombay Commercial Audit Circle.
## Trading and Profit and Loss Account for the year 1929-30.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>To Opening Balance of Stock</td>
<td>4,74,844</td>
<td>6,76,983</td>
<td>16,899</td>
<td>28,385</td>
</tr>
<tr>
<td>Cost of Manufacture</td>
<td>21,42,324</td>
<td>20,39,050</td>
<td>28,66,284</td>
<td>24,96,476</td>
</tr>
<tr>
<td>Selling Expenses of the Central Stamp Store</td>
<td>1,11,215</td>
<td>1,04,407</td>
<td>6,76,983</td>
<td>8,69,577</td>
</tr>
<tr>
<td>Returns from Closed Depots</td>
<td>1,49,370</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Gross profit carried down</td>
<td>6,72,613</td>
<td>5,73,902</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Total</td>
<td>35,50,166</td>
<td>33,94,432</td>
<td>35,50,166</td>
<td>33,94,432</td>
</tr>
<tr>
<td>To Interest</td>
<td>2,83,942</td>
<td>2,71,475</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Value of Store, etc., written off</td>
<td>37,912</td>
<td>...</td>
<td>7,018</td>
<td>...</td>
</tr>
<tr>
<td>Adjustment of charges relating to previous years</td>
<td>5,171</td>
<td>...</td>
<td>Miscellaneous Receipts and adjustments</td>
<td>4,635</td>
</tr>
<tr>
<td>Net profit carried to Balance Sheet</td>
<td>3,57,261</td>
<td>3,21,950</td>
<td>6,72,613</td>
<td>5,73,902</td>
</tr>
<tr>
<td>Total</td>
<td>6,84,286</td>
<td>5,95,425</td>
<td>6,84,286</td>
<td>5,95,425</td>
</tr>
</tbody>
</table>
SECURITY PRINTING, INDIA, NASIK ROAD.

56. Store Account for the year 1929-30.

<table>
<thead>
<tr>
<th>Stores</th>
<th>Opening balance on 1st April 1929</th>
<th>Value of receipts during the year</th>
<th>Value utilised during the year</th>
<th>Closing balance on 31st March 1930</th>
<th>Results of stock verification or revaluation if any</th>
<th>Agency employed for verification or revaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper</td>
<td>4,21,607.14</td>
<td>18,04,934.14</td>
<td>13,25,590.9</td>
<td>9,00,972.35</td>
<td>3.5 Attention is invited to the remarks in paragraph 25 of the Audit Report.</td>
<td>Verification of stores was continuous during the year. It was carried out by assistants unconnected with stores keeping under the orders of the Deputy Master. No regular reports were made by the verifying officers but the accounts in the unsupplied stores ledger were initialed by them in token of verification.</td>
</tr>
<tr>
<td>Ink</td>
<td>13,038.14</td>
<td>30,776.9</td>
<td>23,245.10</td>
<td>18,569.12</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Stores</td>
<td>21,627.13</td>
<td>1,62,991.0</td>
<td>1,22,722.12</td>
<td>51,796.1</td>
<td>1.1 of the accounts of the half year ended 31st March 1930.</td>
<td></td>
</tr>
<tr>
<td>Packing Cases</td>
<td>1,614.8</td>
<td>1,20,564.8</td>
<td>1,18,759.8</td>
<td>3,610.8</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,57,989.2</td>
<td>21,09,288.15</td>
<td>15,02,318.8</td>
<td>9,74,957.2</td>
<td>9.1</td>
<td></td>
</tr>
</tbody>
</table>

A. K. NARASIMHACHARI,  
Accountant,  
Security Printing, India, Nasik Road.

GEORGE WILLIS, Col.,  
Master,  
Security Printing, India, Nasik Road.

E. PRICE,  
Assistant Director of Commercial Audit,  
Bombay Circle.
HIS MAJESTY'S MINTS, CALCUTTA AND BOMBAY.

GENERAL REMARKS INTRODUCTORY TO THE REVIEWS OF THE ACCOUNTS OF THE MINTS.

57. Indian Mints produce, for circulation in India, silver, bronze, and nickel coins. Besides, they undertake jobs for outside departments and private individuals, the manufacture of medals for the Army department, the manufacture and testing of scales and weights for treasuries and currency offices, etc., and occasionally coinage work for Indian States, foreign countries such as Straits Settlements. Coinage is undertaken under the orders of the Controller of the Currency and all issues of coin are made to the local Currency office from which they are distributed.

58. At the suggestion of Messrs. Price, Waterhouse & Co., the question of the introduction of a suitable system of commercial and costing accounts in the Mint was taken up and investigated by an officer of the Commercial Audit Branch. Commercial accounts were first introduced in both the Calcutta and Bombay Mints in 1926, and after trial of more than one system the present arrangement of maintaining commercial books in addition to the regular Government accounts has been adopted. The commercial accounts are of the pro forma type explained in the introductory paragraphs of this volume. The scheme is, however, still in an experimental stage and the question of the retention of the commercial accounts is still under the consideration of the Government of India.

59. Towards the end of 1928-29 there was a redistribution of work between the two Mints. Calcutta now carries out most of the coinage work while Bombay is largely engaged on melting and refining of gold and silver. A special electrolytic refinery was constructed in the Bombay Mint in 1928-29. As a precautionary measure against possible heavy demands for coinage in future the minting plant of the Bombay Mint is maintained in readiness for work, and a small coinage programme is allotted to this Mint every year. By this means not only is the plant kept in order, but a trained staff is always available to meet any sudden demand for coinage. Until the reorganisation in 1928-29 uncurrenct coins withdrawn from circulation in the Bombay Presidency, in the southern part of the Madras Presidency, in the Central Provinces and in the Punjab and North-West Frontier Provinces were remitted to the Bombay Mint. After the reorganisation Bombay deals with the uncurrenct nickel and bronze coin collected in the Bombay Presidency only and with all uncurrenct silver remittances except from Burma, Assam, and some parts of Bengal and Bihar and Orissa.

60. The following are the main divisions in both Mints:—

1) Melting Department (including Dross washing Department), in which bullion is alloyed to the correct fineness and cast into bars.

2) Mechanical Department, in which the various processes of minting are carried out, i.e., rolling, adjusting, cutting out blanks, weighing, annealing, stamping, examining and packing.

3) General Workshop, whose primary function is the maintenance of the Mint Machinery.
(4) Die and Medal Department.
(5) Electrical Department.
(6) Bullion Department, responsible for the receipt, issue and custody of bullion and coin accurate weighments, and verification of weights and balances, and examination of uncurrent and counterfeit coins.
(7) Stores Department.

In addition at the Bombay Mint there are Gold and Silver Refineries and a Merchants' Melting Department.

61. His Majesty's Assay Office is housed in the Bombay Mint but is an independent department in charge of an Assay Master.

Up to 1st October 1923 there was also an Assay Office at the Calcutta Mint, but this was closed as a measure of economy. Bombay with its gold and silver refining work occupies most of the time of the Assay Office, but assays are also done for the Calcutta Mint and for the public.

62. The commercial accounts as now compiled are intended to bring out (1) the net financial result of the operations of the Mints as a whole in a commercial form, (2) the assets and liabilities of the Mints, the net capital invested by Government in the Mints and the nature and amount of the different forms of assets in which the capital is held, (3) the profit or loss on the various denominations of coins manufactured in the Mints, (4) the results of the working of the workshop, the Medal and Die departments; the production costs of the various coins as a whole and as analysed under the various processes such as laminating, annealing, stamping, weighing; the cost of power, etc. All this information is not available in the Government accounts as compiled at present.

63. The following are the more important principles followed in the compilation of these accounts:—

(a) The Workshop, and the Medal and Die departments are treated as service departments maintained for the Coinage department, and not as independent productive departments of the Mint. The underlying idea is that, apart from certain miscellaneous items of work executed by the Mint, such as the manufacture of medals for the Army Department, etc., the operations connected with coinage including the examination and recoining of uncurrent coins constitute the main activities of the Mint and that the workshop and the Medal and Die departments are maintained in the Mint merely for the purpose of serving the coinage department. The fact that during their spare time these departments are allowed to take up work for other departments and private individuals does not affect the operation of this principle. The net financial results of the activities of these two departments are therefore transferred to the account of coinage costs, as part of the general oncost.

(b) Melting Charges.—Charges incurred in melting and converting silver, nickel, bronze, etc., into bars, are compiled separately for each class of metal melted, from the information contained
in the departmental and other initial records kept up in the Mint. The average rate per lakh of tolas of each class of metal melted and cast into bars is then worked out. The amount debitable to the Production Account of coinage is then calculated in accordance with this rate on the weight of bars broken down, i.e., rolled by the laminator for the particular class of coinage. The residue of the unallocated melting charges is treated as the melting cost of the unused bars in the store, and is shown as an asset in the accounts under "Work-in-progress" at the end of the year in the Melting department. The object of this procedure, at present confined to the Calcutta Mint where coinage is the more important function, is to debit a proper share of the melting charges to the coinage operations of a year.

(c) **Oncost** is sub-divided into Factory and General oncost. Factory oncost includes all the indirect charges of a general nature, which can be allocated to a separate department of the Mint, such as salaries, gas, rent, rates and taxes, charges on account of electricity consumed, depreciation on Buildings, Plant and Machinery of the departments. Common charges are allocated to the departments concerned on a suitable basis and distributed amongst the work orders in those departments on the basis of the direct labour charges incurred therein. All other indirect charges, which cannot be allocated to any particular department, are included under "General oncost". The net general oncost after deducting miscellaneous receipts, has been distributed between Government and the Mint in the ratio of 40:60 per cent. in the case of the Calcutta Mint in accordance with the orders issued by the Government of India. In the case of the Bombay Mint the basis of the allocation of charges to Government has been the proportion of idle days to possible working days.

(d) **Standard silver.**—Silver bullion issued for coinage is valued at the rate of Re. 1 per standard tola, for the sake of convenience, as this unit is used in the bullion accounts and other records of the Mint. It is also the rate at which Government actually withdraws rupees from circulation for purposes of recoinage. As the face-value of the coin manufactured is also Re. 1 per tola, the commercial accounts must always show a loss on silver coinage operations; this loss really represents the cost of the coinage operation apart from the cost of material. Fine silver issued from Currency for the use of the Mint is adjusted in the Mint accounts by credit to the Currency department on the basis of the market price of silver on the date of transfer. Such silver issued by the Mint for the various jobs undertaken in the Medal and Die department is charged at the market rate on the date of issue plus 20 per cent. The difference between the rate at which the Mint purchases the silver from Currency and the rate at which it is sold is treated as a miscellaneous profit accruing to the Mint.
Uncertain coin.—The Bullion office deals *inter alia* with the examination of uncertain coins received from treasuries and currency offices. The loss on account of the withdrawal of uncertain coins, being the difference between the nominal value and metal value at Re. 1 per standard tola of coins withdrawn from circulation, and a proportionate share of the Bullion office charges on account of their examination, are included in the Profit and Loss Account under the kind of coinage concerned. This procedure which has been accepted by the Government of India, is based on the principle that all gains accruing to the country from exercising the national prerogative of having its own coinage should be brought together as accurately as possible in one set of accounts.

Interest on Capital is not included in the Mint Accounts. Provision for pensionary liabilities has been included with effect from the year 1928-29.

64. A comparison of coinage costs in Calcutta and Bombay might seem to be a necessary part of a review of the accounts of the Mints. It has not been possible to include such a comparison owing to lack of the time that would be necessary to make a thorough investigation into the causes of differences so as to give satisfactory explanations. The Controller of the Currency has always considered that such a comparison is difficult and would not be particularly educative, owing to the different conditions existing at the two Mints. It must be realised that the Mints are part of the currency system of the country, and currency exigencies may have to ignore commercial account considerations, commercialisation is not in all cases necessarily a golden rule.

**HIS MAJESTY’S MINT, CALCUTTA.**

**SECTION I.—FINANCIAL REVIEW BY THE MINT MASTER ON THE ACCOUNTS OF THE YEAR 1929-30.**

65. The accounts of the Calcutta Mint for 1929-30 in a summarised form are affixed. Corresponding figures for the year 1928-29 are also given to facilitate comparison of the growth of expenditure as compared with growth of work.

Owing to heavy demands for small coin the Mint worked half overtime five days weekly for the first five months of the year. The output was consequently increased by over 60 per cent. as compared with 1928-29.

66. The quantity and cost of coins manufactured during 1929-30 and 1928-29 were as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Silver coins</td>
<td>80,82,400</td>
<td>30,81,370</td>
</tr>
<tr>
<td>Nickel coins</td>
<td>3,65,16,000</td>
<td>4,30,459</td>
</tr>
<tr>
<td>Bronze coins</td>
<td>4,87,88,000</td>
<td>4,60,832</td>
</tr>
<tr>
<td>Total</td>
<td>12,54,88,400</td>
<td>40,91,661</td>
</tr>
</tbody>
</table>
As compared with the year 1928-29 the value of coins manufactured during 1929-30 increased or decreased as follows:

<table>
<thead>
<tr>
<th>Value of coins manufactured</th>
<th>1928-29</th>
<th>1929-30</th>
<th>Per cent.</th>
<th>Per cent.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silver</td>
<td>30,27,975</td>
<td>1,86,324</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td>Nickel</td>
<td>29,04,000</td>
<td>46,63,500</td>
<td>79</td>
<td>79</td>
</tr>
<tr>
<td>Bronze</td>
<td>5,38,400</td>
<td>11,38,500</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td>Total</td>
<td>62,60,375</td>
<td>69,88,424</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

67. Silver Coinage.—During 1929-30, 20,000 pieces of Bhutan coins and 7,20,000 pieces quarter-rupees were minted against 40,49,500 half-rupees and 40,12,900 quarter-rupees only in 1928-29.

The detailed cost of manufacture per 1,000 pieces during 1929-30 of these two coins was:

<table>
<thead>
<tr>
<th>Items</th>
<th>Bhutan.</th>
<th>Quarter Re.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour</td>
<td>75</td>
<td>56</td>
</tr>
<tr>
<td>Stores</td>
<td>15</td>
<td>22</td>
</tr>
<tr>
<td>Metal</td>
<td>271-73</td>
<td>250-04</td>
</tr>
<tr>
<td>Diec</td>
<td>1-00</td>
<td>94</td>
</tr>
<tr>
<td>Operative Loss</td>
<td>50</td>
<td>1-32</td>
</tr>
<tr>
<td>Melting Charges</td>
<td>1-25</td>
<td>1-22</td>
</tr>
<tr>
<td>Departmental overheads</td>
<td>4-15</td>
<td>1-72</td>
</tr>
<tr>
<td>General Overheads</td>
<td>2-10</td>
<td>2-44</td>
</tr>
<tr>
<td>Total</td>
<td>281-82</td>
<td>258-53</td>
</tr>
</tbody>
</table>

In the case of the Bhutan coins cost of metal is at market rate, instead of at one rupee per standard tola.

The charge at market rate was specially authorised by the Controller of the Currency since the coins were being supplied to an outside party who would normally have tendered sufficient silver for the coinage.

But for this the costs would be comparable with those of the half-rupee, the Bhutan coin being of the same weight and fineness.

The quarter-rupees coined were part of an order for 40 lakhs pieces which was interrupted by the strike in the Mint at the end of the year and remained incomplete.

Owing to this and the small quantity of the Bhutan coins the costs in neither case are representative.

68. Nickel Coinage.—1,62,08,000 two-anna pieces and 4,42,00,000 one-anna pieces were manufactured during the year 1929-30 against 60,48,000 two-anna
pieces and 2,95,68,000 one-anna pieces respectively in 1928-29. The detailed cost of production is given below:

<table>
<thead>
<tr>
<th></th>
<th>Two-anna pieces</th>
<th>One-anna pieces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour</td>
<td>-55</td>
<td>-30</td>
</tr>
<tr>
<td>Stores</td>
<td>-24</td>
<td>-13</td>
</tr>
<tr>
<td>Metal</td>
<td>9-16</td>
<td>6-30</td>
</tr>
<tr>
<td>Dies</td>
<td>-48</td>
<td>-65</td>
</tr>
<tr>
<td>Operative Loss</td>
<td>-01</td>
<td>-01</td>
</tr>
<tr>
<td>Melting charges</td>
<td>1-83</td>
<td>1-50</td>
</tr>
<tr>
<td>Coin boxes</td>
<td>-</td>
<td>-18</td>
</tr>
<tr>
<td>Departmental Overheads</td>
<td>1-08</td>
<td>0-87</td>
</tr>
<tr>
<td>General Overheads</td>
<td>1-06</td>
<td>1-27</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15-31</td>
<td>11-41</td>
</tr>
</tbody>
</table>

Against the cost given above, the cost of production during 1928-29 was 17-93 and 12-85 respectively. The chief reason for the decrease in costs in 1929-30 was, as in 1928-29 in comparison with 1927-28, larger production.

Melting charges are less than last year but the loss in melting nickel was much higher due partly to use of old copper coin in allegation which caused bad ingots necessitating remelting. Leaky pots also caused higher losses.

In the above costs general overheads as last year have been taken as 60 per cent. of the general charges, the balance of which was to be debited to Government.

During the year however it was decided that the Mint should bear the whole of the general charges and an adjustment has accordingly been made in the accounts vide Trading and Profit and Loss Account.

If this adjustment is made in the costs above, the cost of two-annas would have been 16-42 per 1,000 pieces and of annas 12-26.

The costs in 1928-29 (bearing 60 per cent. of general charges only) were 17-93 and 12-85 respectively. Thus in spite of the increase in general charges there is a reduction in total cost, due to increased production.

The credit taken to Mint Accounts for issues was at the nominal value of the coins and the profit resulting therefrom is set out below:

<table>
<thead>
<tr>
<th></th>
<th>No. of pieces manufactured</th>
<th>Cost of manufacture</th>
<th>Nominal value of output</th>
<th>Profit on manufacture</th>
<th>Cost per 1,000 pieces</th>
<th>Nominal value per 1,000 pieces</th>
<th>Profit per 1,000 pieces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two-anna pieces</td>
<td>1,62,68,000</td>
<td>2,48,172</td>
<td>20,28,000</td>
<td>17,77,828</td>
<td>15-31</td>
<td>125</td>
<td>109-69</td>
</tr>
<tr>
<td>One-anna pieces</td>
<td>4,22,00,000</td>
<td>4,81,500</td>
<td>26,37,500</td>
<td>21,55,910</td>
<td>11-41</td>
<td>62-8</td>
<td>51-09</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,84,68,000</td>
<td>7,29,672</td>
<td>46,65,500</td>
<td>39,33,738</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C 2
As in the year 1928-29, during the year 1929-30 the same two factors of increased outturn and decreased cost contributed to a profit on nickel coinage of Rs. 39,33,738 against 21,15,541 during 1928-29.

69. Bronze coinage.—The quantity of coins manufactured was :

<table>
<thead>
<tr>
<th></th>
<th>Pieces</th>
<th></th>
<th>Pieces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pice</td>
<td>3,22,43,200</td>
<td>2,36,40,000</td>
<td></td>
</tr>
<tr>
<td>Half Pice</td>
<td>54,43,800</td>
<td>38,43,800</td>
<td></td>
</tr>
<tr>
<td>Pies</td>
<td>80,64,000</td>
<td>1,31,29,400</td>
<td></td>
</tr>
</tbody>
</table>

The details of the cost per 1,000 pieces are as follows :

<table>
<thead>
<tr>
<th></th>
<th>Single Pice</th>
<th>Half Pice</th>
<th>Pie Pieces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour</td>
<td>-48</td>
<td>-44</td>
<td>-37</td>
</tr>
<tr>
<td>Stores</td>
<td>-14</td>
<td>-14</td>
<td>-14</td>
</tr>
<tr>
<td>Metal</td>
<td>611</td>
<td>306</td>
<td>266</td>
</tr>
<tr>
<td>Dies</td>
<td>58</td>
<td>97</td>
<td>52</td>
</tr>
<tr>
<td>Operative Loss</td>
<td>-01</td>
<td>-01</td>
<td>-01</td>
</tr>
<tr>
<td>Melting cost</td>
<td>-88</td>
<td>-59</td>
<td>-28</td>
</tr>
<tr>
<td>Coin boxes for packing</td>
<td>-23</td>
<td>-09</td>
<td>-08</td>
</tr>
<tr>
<td>Departmental Overheads</td>
<td>-93</td>
<td>100</td>
<td>-80</td>
</tr>
<tr>
<td>General Overheads</td>
<td>142</td>
<td>159</td>
<td>124</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10.78</td>
<td>7.59</td>
<td>5.5</td>
</tr>
</tbody>
</table>

If the full general charges are debited to the Mint the costs become 11.73, 8.65 and 6.33 for pice, half-pice and pies respectively.

The corresponding costs in 1928-29 (including 60 per cent. of general charges only) were 11.47, 8.17 and 6.82 for pice, half-pice and pie pieces respectively.

Loss in melting bronze was higher than last year when the figure was abnormally good. This year's figure compares satisfactorily with results in past years.

In each case the increase in the outturn during 1929-30 accounts for the decrease in costs. Credit being taken for issues at nominal value the resultant profit or loss works out as below :

<table>
<thead>
<tr>
<th>Coinage</th>
<th>No. of pieces manufactured</th>
<th>Cost of manufacture</th>
<th>Nominal value of outturn</th>
<th>Profit or Loss per 1,000 pieces</th>
<th>Nominal value per piece</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Pice</td>
<td>64,000,000</td>
<td>6,89,821</td>
<td>10,60,000</td>
<td>3,10,179</td>
<td>15.22</td>
</tr>
<tr>
<td>Half Pice</td>
<td>7,934,400</td>
<td>58,065</td>
<td>59,800</td>
<td>1,735</td>
<td>7.39</td>
</tr>
<tr>
<td>Pie Pieces</td>
<td>13,129,600</td>
<td>83,291</td>
<td>78,500</td>
<td>-4,401</td>
<td>5.52</td>
</tr>
</tbody>
</table>

| Total     | 3,07,513                 |

During 1929-30 profit on Bronze coinage amounted to Rs. 3,07,513 against a profit of Rs. 1,18,748 in the year 1928-29. Large increase in outturn and decreased cost account for the better result in 1929-30.

70. Profit and Loss Account.—The net profit during 1929-30 amounts to Rs. 35,85,182 against Rs. 17,44,708 in the year 1928-29 as will be clear from the table below :—
<table>
<thead>
<tr>
<th>Items</th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit or Loss</td>
<td>Profit or Loss</td>
</tr>
<tr>
<td></td>
<td>Silver (—)</td>
<td>Nickel (—)</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>—5,453</td>
<td>39,33,738</td>
</tr>
<tr>
<td></td>
<td>—53,398</td>
<td>21,15,541</td>
</tr>
<tr>
<td>Collage</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>—19,903</td>
<td>—6,982</td>
</tr>
<tr>
<td></td>
<td>—34,579</td>
<td>—6,014</td>
</tr>
<tr>
<td>Cost of uncurreent coin work</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>—1,48,896</td>
<td>—1,78,062</td>
</tr>
<tr>
<td></td>
<td>—2,78,375</td>
<td>—1,17,400</td>
</tr>
<tr>
<td>Loss on withdrawal of uncurreent coins</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>—174,223</td>
<td>37,47,803</td>
</tr>
<tr>
<td></td>
<td>—3,66,628</td>
<td>19,92,197</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Add—Net Miscellaneous Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct—Share of 40 per cent. General Charges not debited to Collage accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Profit</td>
<td>33,85,182</td>
<td></td>
</tr>
</tbody>
</table>
The result of the year's working and the profit obtained may be regarded as very satisfactory. It must however be remembered that the total profit depends largely on the quantity of nickel coin minted, since for this coin the nominal value is so much greater than the cost of manufacture.

The results emphasise also the advantages of working overtime. The normal working hours of the Mint are seven hours Monday to Friday and five hours on Saturday.

When overtime is ordered the hours are 10½ Monday to Friday so that the total hours per week still keep within the maximum of 60 hours prescribed by the Factory Act.

The total capacity of the Calcutta Mint in normal hours is approximately six lakhs pieces in the Silver Mint and five lakhs pieces in the Bronze (and Nickel) Mint.

At present superior staff is only available to work one of the Mints at a time.

The ability to work overtime renders possible an immediate increase of nearly 50 per cent. in the output without engaging additional staff who would take a long time to train in their duties. This is a valuable reserve against urgent demands for coinage.

71. Government Capital Account.—The net capital debt due to the Government of India by the Calcutta Mint as at 31st March 1930 exclusive of the balance of Currency Department and the profit of Rs. 35,85,182 which accrued during the year, worked out to Rs. 16,02,028. The corresponding figure at the end of 1928-29 was Rs. 22,09,685.

Reduction in Capital Account is partly due to elimination of buildings from the assets of the Mint. Taking the profit into account as part of the Capital there is an increase of about 12 lakhs over the previous year which is due to large profit derived during the year on account of increased output of nickel coins.

The amount due by the Mint to the Currency Department for the currency reserve held in the Mint on 31st March 1930 was Rs. 2,16,85,534 as against Rs. 1,54,56,785 at the end of the previous year. These balances, as has been explained in the report for 1928-29, fluctuate according to the operations of the Currency Department. There was no balance of Currency Department silver set apart for sale on the 31st March 1930 against Rs. 10,73,922 on 31st March 1929, all orders for shipment having been complied with.

72. Buildings.—It was decided during the year that the Mint should pay rent to the Public Works Department for buildings, instead of the buildings being considered as Mint property. The amount was fixed at Rs. 1,56,241 per annum.

As a result of this decision the figure of Rs. 2,71,618 value of buildings shown in Balance Sheet for 1928-29 has been eliminated from the Balance Sheet for 1929-30.

The Depreciation Reserve is also reduced on this account.

In the General Profit and Loss Account, Rent is now Rs. 1,56,241 instead of Rs. 14,369. The latter figure represented rent of land from Port Commissioners which has since been given up.
The item Repairs last year Rs. 23,010 also disappears from the General Profit and Loss Account as the P. W. D. bear cost of repairs in return for rent. The P. W. D. also now bear owner’s share of Rates and Taxes and this accounts for the decrease under this head.

73. Plant and Machinery.—It will be seen from the Balance Sheet that Plant and Machinery on charge is valued at Rs. 3,29,875 an increase over last year due mainly to the additional electrical plant.

The figure is a very small one compared to the replacement value of machinery in the Mint, due to the fact that nearly all the machinery is over 20 years old, and being fully depreciated is held on the books at scrap value.

The depreciation reserve does not fully cover the past depreciation of plant since it was only started recently with the inauguration of the Commercial Accounts.

Much of the machinery in the Silver Mint is over 60 years old and if regular coining of silver were required, very heavy expenditure on new presses and other machines would be necessary for efficiency and economy.

At present however the machinery is only required to work for about one month in each year, so that replacement by up-to-date machinery is not justified.

If the Mint were a trading concern it would be prudent to make a large addition to the Depreciation Reserve from Profits to provide for the future liability of expenditure on modernisation of plant and machinery in the Silver Mint.

74. Bullion Stocks.—The value of Gold and Silver Bullion at 31st March 1930, including the balance in the Die Department was Rs. 2,33,10,240 and the corresponding figure on 31st March 1929 was Rs. 1,80,41,081. The increase is due to increase of silver in the Currency Chest.

The value of other metal stocks was Rs. 9,61,480 as compared with Rs. 8,23,417 at the end of 1928-29. The increase is due to the transfer to Calcutta of nickel surplus to requirements at the Bombay Mint.

All copper purchased during the year was obtained from the Indian Copper Corporation and was mined and refined in India.

This copper has been found suitable for coinage of bronze and cupronickel.

Purchase of copper from this source is estimated to have effected a saving of roughly Rs. 40,000 during the year as compared with imported copper.

75. Consumable Stores.—The balance of consumable stores at the end of the year 1929-30 amounted to Rs. 3,23,250 as compared with Rs. 4,12,603 at the end of 1928-29.

The reduction is due mainly to increased consumption, but some unserviceable and surplus stores were disposed of during the year.

The question of revaluation at market rate was taken up during the year and figures worked out and submitted for sanction of the adjustments necessary. Sanction to proceed with this has now been received.

76. Stock of Medals.—The amount of Rs. 55,443 shown last year represented balance of medals manufactured for the Army Department but not
taken over by them, their estimates having been in excess of requirements. The item has been eliminated by transfer to the Mint bullion balance.

77. Reference has been made in para. 67 above to the strike of Mint workmen which commenced on 18th March. This resulted in ten working days of the year being lost; there being no output.

The strike has since been happily settled.

The concessions granted will result in increased labour costs next year.

SECTION II.—REMARKS BY THE DIRECTOR OF COMMERCIAL AUDIT.

78. Paragraphs 67 to 69 of the Financial Review.—In the past, as pointed out in paragraph 41 (c) of the Appendix to the Appropriation Accounts of the Central Government (Civil) for the year 1928-29, only 60 per cent. of the “net general octost” was debited to the Mint commercial accounts; but in view of the present heavy production in the Calcutta Mint, it has been decided by the Government of India that the entire general charges in Calcutta should be debited to the Mint commercial accounts. These orders have been given effect to in the accounts of the year, but to enable an effective comparison to be made with the previous year’s figures, costs of production referred to in the Review do not take account of the new arrangement. The amount of Rs. 1,73,968 representing 40 per cent. of the total General Charges has therefore been shown as a distinct item “Share of General Charges not debited to Production costs” in the Trading and Profit and Loss Account.

79. A comparison of the coinage costs for the year with those for the previous year has been made in the Mint Master’s Review. It may be pointed out, however, that the reduction in “Melting Charges” of nickel is partly due to certain changes in the method of accounting.

80. Paragraph 70 of the Review.—The profit for the whole year 1929-30 with the profit for the three preceding years is shown below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1926-27</td>
<td>10,27,302</td>
</tr>
<tr>
<td>1927-28</td>
<td>15,33,364</td>
</tr>
<tr>
<td>1928-29</td>
<td>17,44,709</td>
</tr>
<tr>
<td>1929-30</td>
<td>35,85,182</td>
</tr>
</tbody>
</table>

The reasons for the large profit in 1929-30 are dealt with in paragraph 70 of the Review. As pointed out, however, in paragraph 41 (f) of the previous year’s Appendix to the Appropriation Accounts, no interest is charged in the Mint accounts on the capital invested.

81. Attention is invited particularly to paragraphs 70, 73 and 74 of the Mint Master’s Review dealing with the reasons for the large profit in 1929-30, the state of the machinery in the Silver Mint, and the savings effected in the purchase of coppes.

82. Paragraph 75 of the Review.—The balances of consumable stores at the end of the last three years are set forth below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Balance (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927-28</td>
<td>4,84,485</td>
</tr>
<tr>
<td>1928-29</td>
<td>4,12,603</td>
</tr>
<tr>
<td>1929-30</td>
<td>3,22,250</td>
</tr>
</tbody>
</table>
The steady decline during the last three years will indicate the extent of the accumulation of stock three years ago.

Surplus stores to the value of Rs. 15,932 were sold by public auction during the year under review resulting in a loss of Rs. 12,035 which has been written off by the Government of India. Even after this, however, the Mint Master is not in a position to certify that all the stores now in hand are serviceable and not surplus to requirements. It will be seen from the Review that the stores in hand have not yet been revalued on the basis of market rates; it is understood that the value appearing in the books is probably in excess of their market value by over Rs. 25,000.

83. Miscellaneous—

(a) Paragraph 65 of Review.—The term "half overtime" means 10½ hours work on week days and 5 hours work on Saturdays (paragraph 70 of Mint Master's Review).

(b) Paragraph 66 of Review.—The cost referred to is the "cost of production".

(c) Paragraph 74 of Review—Bullion and Metal Stocks.—These are subjected to an annual verification by the Examiner, Outside Audits, Bengal, in accordance with the rules prescribed by the Government of India.
## HIS MAJESTY'S

### 84. Balance Sheet as at

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sundry Creditors</td>
<td>1,14,996</td>
<td>1,20,253</td>
</tr>
<tr>
<td>Northbrook Medal Fund</td>
<td>220</td>
<td>189</td>
</tr>
<tr>
<td>Currency Chest</td>
<td>2,16,85,524</td>
<td>1,54,86,785</td>
</tr>
<tr>
<td>Treasury Remittances under examination</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Silver for sale</td>
<td></td>
<td>10,72,922</td>
</tr>
<tr>
<td>Depreciation Reserve</td>
<td>33,935</td>
<td>1,07,990</td>
</tr>
<tr>
<td>Reserve for Assay Charges</td>
<td>5,000</td>
<td>4,500</td>
</tr>
<tr>
<td>Profit and Loss A/c</td>
<td>35,85,182</td>
<td>17,44,709</td>
</tr>
<tr>
<td>Government Capital Account</td>
<td>16,02,028</td>
<td>22,00,685</td>
</tr>
</tbody>
</table>

Total Rs. 2,70,75,965 2,07,53,033
# MINT, CALCUTTA.

31st March 1930.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td>2,71,018</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>3,29,875</td>
<td>2,99,337</td>
</tr>
<tr>
<td>Furniture and Fixtures</td>
<td>19,012</td>
<td>22,646</td>
</tr>
<tr>
<td>Bullion Stocks—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mint—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gold</td>
<td>18,024</td>
<td>16,024</td>
</tr>
<tr>
<td>Silver</td>
<td>15,94,811</td>
<td>14,90,021</td>
</tr>
<tr>
<td>Currency—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gold</td>
<td>67,13,820</td>
<td>67,13,820</td>
</tr>
<tr>
<td>Silver</td>
<td>1,49,71,714</td>
<td>87,72,965</td>
</tr>
<tr>
<td>Silver for sale</td>
<td></td>
<td>10,72,022</td>
</tr>
<tr>
<td>Die Department—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gold</td>
<td>7,173</td>
<td>7,922</td>
</tr>
<tr>
<td>Silver</td>
<td>4,698</td>
<td>4,807</td>
</tr>
<tr>
<td>Other Metal Stocks—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bronze</td>
<td>3,88,294</td>
<td>4,10,887</td>
</tr>
<tr>
<td>Nickel</td>
<td>5,73,186</td>
<td>4,12,530</td>
</tr>
<tr>
<td>Finished Coin Stock—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bronze</td>
<td>86,500</td>
<td>35,400</td>
</tr>
<tr>
<td>Nickel</td>
<td>9,30,000</td>
<td>1,59,500</td>
</tr>
<tr>
<td>Consumable stores</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock of Medals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treasury Remittances under examination</td>
<td>3,23,359</td>
<td>4,12,603</td>
</tr>
<tr>
<td>Sundry Debtors</td>
<td>87,983</td>
<td>95,675</td>
</tr>
<tr>
<td>Deposits (Security Deposits)</td>
<td>5,586</td>
<td>6,440</td>
</tr>
<tr>
<td>Realisation accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work in progress</td>
<td>64,885</td>
<td>59,478</td>
</tr>
<tr>
<td>Impept and Cash in hand</td>
<td>1,224</td>
<td>1,441</td>
</tr>
<tr>
<td><strong>Total Rs.</strong></td>
<td>2,70,75,005</td>
<td>2,07,53,033</td>
</tr>
</tbody>
</table>

(Sd.) C. BHASKARAIYA,  
Asstt. Director of Commercial Audit, Calcutta Circle.

(Sd.) M. STAGG,  
Lb.-Col., R. E., Mint Master, His Majesty's Mint, Calcutta.
## HIS MAJESTY'S MINT, CALCUTTA.

### 85. Trading and Profit and Loss Account for the year 1929-30.

<table>
<thead>
<tr>
<th></th>
<th>Dr.</th>
<th>Or.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1929-30</td>
<td>1928-29</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>To Opening Balance of finished coins</td>
<td>1,94,900</td>
<td>10,61,600</td>
</tr>
<tr>
<td>cost of coinage</td>
<td>17,52,626</td>
<td>40,39,481</td>
</tr>
<tr>
<td>Loss on withdrawal of uncurred coins</td>
<td>4,25,341</td>
<td>5,13,835</td>
</tr>
<tr>
<td>Bullion office costs</td>
<td>70,212</td>
<td>69,416</td>
</tr>
<tr>
<td>Gross profit c/d</td>
<td>37,40,245</td>
<td>15,97,643</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61,83,324</strong></td>
<td><strong>72,81,975</strong></td>
</tr>
</tbody>
</table>

To Share of General charges not debited to Production costs.

<table>
<thead>
<tr>
<th></th>
<th>Dr.</th>
<th>Or.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,73,968</td>
<td></td>
</tr>
<tr>
<td>By Gross profit b/d</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Mint work</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Silver sale account</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net profit during the year</strong></td>
<td>35,86,183</td>
<td>17,44,709</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>37,59,150</strong></td>
<td><strong>17,44,709</strong></td>
</tr>
</tbody>
</table>
### HIS MAJESTY'S MINT, CALCUTTA.

#### 86. Statement of Stores for the year 1929-30:

<table>
<thead>
<tr>
<th>Stores</th>
<th>Opening balance on 1st April, 1929.</th>
<th>Value of receipts during the year.</th>
<th>Sold or disposed of.</th>
<th>Depreciation or write off.</th>
<th>Closing Balance on 31st March, 1930</th>
<th>Results of stock verification and revaluation, or verification if any.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumable Stores</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Agency employed for revaluation, or verification.</td>
</tr>
<tr>
<td>Main</td>
<td>Rs. 3,88,330 7-10</td>
<td>Rs. 1,68,815 0-3</td>
<td>(a)</td>
<td>(b)</td>
<td>Rs. 5,163 4 0</td>
<td>Rs. 2,95,346 9 5</td>
</tr>
<tr>
<td>Workshop</td>
<td>Rs. 5,833 13 6</td>
<td>Rs. 54,643 8 7</td>
<td>(c)</td>
<td>(e)</td>
<td>all</td>
<td>Rs. 7,035 6 3</td>
</tr>
<tr>
<td>Die Department</td>
<td>Rs. 6,074 3 3</td>
<td>Rs. 43,395 15 6</td>
<td>(d)</td>
<td>(f)</td>
<td>all</td>
<td>Rs. 5,882 8 0</td>
</tr>
</tbody>
</table>

(a) Include returns from Sub-Store.
(b) Include issues to Sub-Store.
(c) Mainly Loss on Hard Coke and Steam Coal.
(d) Mainly from Main Store.
(e) Includes Rs. 1,744 15-3 returns to Main Store.
(f) Includes Rs. 14,885 0-0 returns to Main Store.

---

N. N. MUKHARJI,  
Accountant,  
His Majesty's Mint,  
Calcutta.

M. STAGG,  
Lt.-Col., R.E.,  
Master of the Mint,  
Calcutta.

C. BHASKARAIYA,  
Assistant Director of Commercial Audit,  
Calcutta Circle.

87. The Bullion and Uncurrent Coins Departments, Gold Melting Department, Gold Refinery, Die Department, General Workshop, Silver Melting Department and Silver Refinery were busy throughout the year. There were no coinage operations, however, till November 1929 when the coinage of British (Hongkong) Dollars was undertaken on behalf of certain Banks and Commercial concerns with the sanction of the Government of India.

88. The Assay Office which is independent though housed in the Mint, was working as usual.

Coinage.—(a) No British Indian Government Coinage was carried out during the year.

(b) 95,35,075 British (Hongkong) Dollars of the outturn value of 2,16,38,944 standard tolas were coined during the year. Of these 75,00,000 British Dollars of the outturn value of 1,70,21,096 standard tolas were delivered to Banks and Merchants against contracts, made by the Deputy Controller of the Currency, Bombay, under sale of silver on behalf of the Secretary of State for India, London.

Seigniorage was charged at the rate of Re. 30 per 1,000 pieces and has resulted in a profit, as will be seen from the cost of the coinage (excluding the value of the silver contents) shown below:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost per 1,000.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour</td>
<td>Rs. 3.41</td>
</tr>
<tr>
<td>Stores</td>
<td>Rs. 1.77</td>
</tr>
<tr>
<td>Departmental Overhead</td>
<td>Rs. 5.44</td>
</tr>
<tr>
<td>Cost of Dies used</td>
<td>Rs. 0.78</td>
</tr>
<tr>
<td>Cost of Assays made</td>
<td>Rs. 1.70</td>
</tr>
<tr>
<td>General charges</td>
<td>Rs. 4.04</td>
</tr>
<tr>
<td>Copper used as Alloy</td>
<td>Rs. 0.46</td>
</tr>
<tr>
<td>Bullock Losses in Manufacture</td>
<td>Rs. 6.14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Rs. 23.74</strong></td>
</tr>
</tbody>
</table>

89. Percentage of good coins of British Dollar coinage.—The percentage was 58.84 per cent. of good coin on 3,74,53,075 tolas of ingots broken down. This percentage is less than the usual average of about 62 to 63 per cent. due to irregularity of coinage work.

90. Losses on withdrawal of uncurent coin.—These losses arise out of the difference between the nominal value of the uncurent coins withdrawn from circulation and their bullion value calculated on their weight at book rate in the case of nickel and bronze coins and at Re. 1 per standard tola in the case of silver coins.
The details of these losses in 1929-30 were:

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silver coins</td>
<td>7,61,909</td>
</tr>
<tr>
<td>Nickel coins</td>
<td>43,227</td>
</tr>
<tr>
<td>Bronze coins</td>
<td>17,750</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,95,886</strong></td>
</tr>
</tbody>
</table>

91. Bullion Department.—The Uncurrent Coin Department was mainly engaged on the work of examining uncurreent coins. The Bullion Department in addition to cutting current coins was engaged in weighing standard silver ingots, fine silver bars and pure copper slabs produced by the Silver Refinery, Indian Mines Gold and Gold and Silver received from public for melting and refining, and binding of alligations for meltings. The number of coins of each metal examined in the Uncurrent Coin Department is shown below:

<table>
<thead>
<tr>
<th></th>
<th>No. of coins examined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silver</td>
<td>6,42,77,673</td>
</tr>
<tr>
<td>Nickel</td>
<td>2,16,791</td>
</tr>
<tr>
<td>Bronze</td>
<td>10,72,901</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,64,77,275</strong></td>
</tr>
</tbody>
</table>

92. General Charges.—The net General Charges for the year amount to Rs. 5,46,656. This shows an increase of Rs. 2,12,098 over the previous year's charges of Rs. 3,34,558. The increase is mainly due to the following new items:

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Municipal Tax</td>
<td>11,707</td>
</tr>
<tr>
<td>Rent of Buildings</td>
<td>4,77,566</td>
</tr>
<tr>
<td>Pensionary charges</td>
<td>34,129</td>
</tr>
<tr>
<td>Passage contribution</td>
<td>928</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,34,218</strong></td>
</tr>
</tbody>
</table>

93. Assay Office.—The receipts on account of Assays done for the public were Rs. 9,096 against Rs. 6,347 in 1928-29. The net expenditure of the Assay Office after deducting these receipts amounted to Rs. 1,02,565 which was distributed between the Bombay and Calcutta Mints in proportion to the assays carried out for each. The Calcutta Mint's share amounted to Rs. 13,688 and the Bombay Mint's to Rs. 88,877.

94. Silver Refinery.—The Refinery was steadily employed on refining Government silver. During the year silver weighing 8,57,400 tolas gross was received from the public for refining.

95. Medal and Die Departments.—The excess of expenditure over receipts in this account amounted to Rs. 28,644 against Rs. 14,697 in 1928-29. The increase in loss is due to increase in the share of General Charges and the dies for coinage being priced at a low rate of Rs. 5 each. This will be revised for future accounts.

96. Gold Melting, Merchants Melting and Refining Departments.—This account shows a profit amounting to Rs. 62,140 against Rs. 38,011 in 1928-29,
an increase of 63·4 per cent. Gold received from Indian Mines, Merchants and Banks is treated in this Department and bars of accurate weight are cast for Banks and Merchants.

The increase in profit is mainly due to larger receipts of gold for melting, refining and casting. During the year gold weighing 5,73,130 tolas was received from Banks and Merchants for melting and assay, the corresponding figure for 1928-29 being Rs. 4,06,693 tolas, an increase of 40·9 per cent. In 1929-30, 13,25,228 tolas of raw gold received from the Indian Mines and Merchants were treated in the Gold Refinery as against 11,34,087 tolas in 1928-29 an increase of 16·8 per cent. Gold weighing 70,368 tolas was received for melting and casting into bars of uniform weight against 86,292 tolas of gold received in 1928-29.

97. Silver Melting Department.—This Department was employed in the preparation of bars for Dollar Coinage, and melting for standard and fine silver ingots.

98. Receipts from sale of exhausted Drosses.—During the year about 208 tons of gold and silver drosses were sold to Messrs. Derby & Co., Ltd., London and Messrs. Johnson Matthey & Co., Ltd., London and a sum of Rs. 20,744 was recovered as value of gold and silver contents. The cost of packing this dross for shipment amounted to Rs. 1,785.

Owing however to the fall in the price of silver the disposal of low touch drosses by sale will be less advantageous in the near future and these drosses will be further treated in the Mint by amalgamation as far as possible.

99. General Workshop.—This Department is maintained primarily for the upkeep in serviceable repair of the Mint Plant and effects, and is in general fairly fully occupied. Outside work is accepted subject to the exigencies of Mint work proper and with the approval of the Master of the Mint.

100. Profit and loss Account.—The net loss transferred to the Balance Sheet amounts to Rs. 12,67,121 after deducting profit on Dollar Coinage and other miscellaneous receipts as shown below:

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
<th>A. P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Loss on withdrawals of uncurren</td>
<td>7,95,386</td>
<td>7</td>
</tr>
<tr>
<td>coin</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>To Bullion Office Costs</td>
<td>1,00,186</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>To Melting and Operative Losses, etc.</td>
<td>40,300</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>To Standard Melting Costs</td>
<td>1,292</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>To Cost of Silver: Dross Recoveries</td>
<td>17,730</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>To Share of Assay Office Costs</td>
<td>48,477</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>To Medal and Die Account</td>
<td>28,643</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>To Silver Refinery Costs</td>
<td>3,56,722</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>13,89,248</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
<th>A. P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>By Profit on Gold Melting and Refining</td>
<td>62,139</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8</td>
</tr>
<tr>
<td>By Receipts from Sale of Drosses</td>
<td>18,994</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>By Miscellaneous Receipts</td>
<td>12,250</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>By Profit on coinage of British Dollars</td>
<td>28,753</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>By Loss to Balance Sheet</td>
<td>12,67,120</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
</tr>
</tbody>
</table>

The total is 13,89,248 0 3.

The loss is mainly due to loss on withdrawal of uncurren coins and the cost of silver refining. As these are recurring items this account will always tend to show a loss.
BALANCE SHEET.

101. Currency Chest Balance.—This balance consists of gold of the value of Rs. 5,81,56,875-9-10 and silver of the value of Rs. 1,88,65,625-8-0 held in the Mint on account of the Currency Department.

102. Assets.—The following additions to the fixed Assets were made during the year 1929-30:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
</tr>
<tr>
<td>Buildings</td>
<td>1,500 0 0</td>
<td>1,909 0 0</td>
<td>205 0 0</td>
<td>3,469 0 0</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>8,334 1 0</td>
<td>2,48,863 8 0</td>
<td>905 0 0</td>
<td>2,58,064 9 0</td>
</tr>
<tr>
<td>Furniture and Fixtures</td>
<td>11,828 8 0</td>
<td>5,258 8 0</td>
<td>5,942 8 0</td>
<td>22,222 8 0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21,320 9 0</strong></td>
<td><strong>2,50,031 0 0</strong></td>
<td><strong>6,847 8 0</strong></td>
<td><strong>2,84,299 1 0</strong></td>
</tr>
</tbody>
</table>

BUILDINGS.

103. Mint and Refinery.—A part of the road through the Mint compound was re-surfaced with asphalt at a cost of Rs. 1,560. A teakwood and asbestos sheeting enclosure to the lift in the Silver Refinery and an iron ladder to roof of Silver Refinery Stronghold were purchased at the cost of Rs. 1,909.

PLANT AND MACHINERY.

104. Mint.—Centrifugal pump, electric paint spray, electric drill and grinder, etc., were purchased at the cost of Rs. 988.

Centrifugal Fan with motor, and 5’ amalgam pan with spares were purchased at a cost of Rs. 7,846 in the year 1927-28 but were accounted for in the Balance Sheet for the year 1929-30.

105. Silver Refinery.—The sum of Rs. 2,48,865-8-0 represents the cost of machinery and equipment ordered in connection with the Silver Refinery.

106. Assay Office.—The sum of Rs. 905 represents the cost of vacuum pump with motor, draught muffle and Dayton pressure pump fitted in the Assay Office.

FURNITURE AND FIXTURES.

107. Mint.—2 Bullion Balances to carry 2,000 ounces troy in each pan and a box containing Reference Standard weights were added during the year. These were ordered from England at the cost of Rs. 9,297 and tables, fans, etc., were also purchased at a cost of Rs. 1,729-8-0.

108. Silver Refinery.—Miscellaneous equipment such as teakwood drying trucks was added to the stock at a cost of Rs. 5,256-8-0.

109. Assay Office.—Verification Balance costing Rs. 5,625 and chairs, tables, etc., costing Rs. 317-8-0 were purchased during the year.

110. Consumable Stores.—The stock of stores Rs. 3,35,546 has decreased by over Rs. 30,000 from the last year’s balance Rs. 3,65,641. A portion of the stock was verified during the first half of the year by one of the Mint Engineers. As no Engineer could be spared owing to Dollar Coinage no verification could be carried out in the second half of the year.
The small balances of consumable stores in the Die and the Gold Melting and Refinery Department were not verified during the year. This will however be done from next year.

111. Bullion Stocks.—Rs. 17,850.

The bullion stocks were verified by the Examiner, Outside Audit, Bombay, in April 1930.

112. Sundry Debtors.—The whole of the outstanding represented by this figure were settled by May 1930.

Section II.—Remarks of the Director of Commercial Audit.

113. During the year 1929-30 no Indian Government coins were manufactured. British Dollar coinage was, however, undertaken and a Profit of Rs. 28,734 was made on the year's output of 95,35,084 pieces, as under:

Costs.

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime cost of production</td>
<td>1,01,219</td>
</tr>
<tr>
<td>Cost of dies used</td>
<td>7,345</td>
</tr>
<tr>
<td>Cost of Assays</td>
<td>16,159</td>
</tr>
<tr>
<td>Share of general charges</td>
<td>28,546</td>
</tr>
<tr>
<td>Metal used (silver and copper)</td>
<td>2,16,98,380</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,18,61,649</td>
</tr>
</tbody>
</table>

Realisation, etc.

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,70,17,614</td>
</tr>
<tr>
<td>Seignorage</td>
<td>2,55,000</td>
</tr>
<tr>
<td>Issues to Pyx, etc.</td>
<td>147</td>
</tr>
<tr>
<td>Stock on hand</td>
<td>46,17,722</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,18,90,383</td>
</tr>
</tbody>
</table>

Profit on coinage

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>28,734</td>
</tr>
</tbody>
</table>

114. The gross cost of refining silver amounted to Rs. 4,32,911 in the year. Recoveries of gold and copper to the value of Rs. 76,188 were made in this period leaving a net cost of Rs. 3,56,723 as shown in the Profit and Loss Account.

115. The transactions of the year on account of melting and refining gold are set out below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of melting and refining</td>
<td>40,062</td>
</tr>
<tr>
<td>Cost of treating gold drosses</td>
<td>5,589</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>45,651</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td>99,040</td>
</tr>
<tr>
<td>Silver recovered from melting, etc.</td>
<td>9,754</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,07,794</td>
</tr>
<tr>
<td>Profit</td>
<td>62,140</td>
</tr>
</tbody>
</table>
About 7 tons of gold drosses were treated during the year, and the value of the recoveries therefrom amounted to—

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold</td>
<td></td>
<td>Rs. 19,140</td>
</tr>
<tr>
<td>Silver</td>
<td></td>
<td>Rs. 9,125</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>Rs. 28,265</td>
</tr>
</tbody>
</table>

116. Approximately 19 tons of silver drosses were treated during 1929-30 at a cost of Rs. 17,739, and Rs. 1,84,392 worth of silver was recovered.

117. The Assay office costs amounted to Rs. 1,11,661, and Rs. 9,096 were recovered by way of fees leaving a balance of Rs. 1,02,565 which was distributed between the two mints in proportion to the assays carried out for each. The Calcutta Mint was charged with Rs. 13,688 and the balance of Rs. 88,877 was borne by the Bombay Mint. Of the Bombay Mint share the silver refinery was charged with Rs. 24,240, the British dollar coinage with Rs. 16,159, and the balance of Rs. 48,478 is shown in the Profit and Loss Account.

118. The Bombay Mint is, under present conditions of working, a service concern rather than a commercial undertaking, for it is employed mainly on refining silver for the Currency Department. The net result of its transactions during 1929-30 amounted to an excess of expenditure over receipts of Rs. 12,67,121 which has been carried to the Balance Sheet.

119. The following additions were made to the assets during 1929-30:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td></td>
<td>Rs. 3,469</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td></td>
<td>Rs. 2,38,694</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td></td>
<td>Rs. 22,223</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>Rs. 2,84,386</td>
</tr>
</tbody>
</table>

Of the above expenditure Rs. 2,56,031 was incurred on the silver refinery, which brings the total expenditure on this project to Rs. 5,57,670 on the 31st March 1930. The Government of India in the Finance Department accorded administrative approval to the erection of this refinery at an estimated cost of Rs. 5,31,310. Government have been addressed in regard to the excess of Rs. 28,360 over the sanction.
<table>
<thead>
<tr>
<th>Assets</th>
<th>Balance Sheet as at 31st March 1930.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31st March</td>
</tr>
<tr>
<td></td>
<td>1929.</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
</tr>
<tr>
<td>Buildings and other Assets</td>
<td></td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td></td>
</tr>
<tr>
<td>Plant and Machinery, Fixed and Labour</td>
<td></td>
</tr>
<tr>
<td>Labour</td>
<td></td>
</tr>
<tr>
<td>Buildings, etc.,</td>
<td>4,76,611</td>
</tr>
<tr>
<td>1,52,061</td>
<td>1,35,061</td>
</tr>
<tr>
<td>4,66,672</td>
<td>5,51,584</td>
</tr>
<tr>
<td>3,80,161</td>
<td>3,65,061</td>
</tr>
<tr>
<td>1,14,177</td>
<td>1,04,177</td>
</tr>
<tr>
<td>4,90,338</td>
<td>5,69,242</td>
</tr>
<tr>
<td>7,40,291</td>
<td>7,20,391</td>
</tr>
<tr>
<td>25,08,301</td>
<td>25,08,301</td>
</tr>
<tr>
<td>3,68,312</td>
<td>3,68,312</td>
</tr>
<tr>
<td>5,25,875</td>
<td>5,25,875</td>
</tr>
<tr>
<td>3,82,715</td>
<td>3,82,715</td>
</tr>
<tr>
<td>11,60,435</td>
<td>10,00,278</td>
</tr>
<tr>
<td>30,61,239</td>
<td>30,61,239</td>
</tr>
<tr>
<td>52,78,340</td>
<td>52,78,340</td>
</tr>
<tr>
<td>11,30,29,922</td>
<td>9,44,11,431</td>
</tr>
<tr>
<td>12,30,29,922</td>
<td>9,44,11,431</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Currency</th>
<th>Other Metal Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,63,483</td>
<td>10,63,483</td>
</tr>
<tr>
<td>2,48,053</td>
<td>2,48,053</td>
</tr>
<tr>
<td>6,55,530</td>
<td>6,55,530</td>
</tr>
<tr>
<td>3,09,040</td>
<td>3,09,040</td>
</tr>
<tr>
<td>3,69,975</td>
<td>3,69,975</td>
</tr>
<tr>
<td>5,31,975</td>
<td>5,31,975</td>
</tr>
<tr>
<td>3,69,975</td>
<td>3,69,975</td>
</tr>
<tr>
<td>5,31,975</td>
<td>5,31,975</td>
</tr>
<tr>
<td>3,69,975</td>
<td>3,69,975</td>
</tr>
<tr>
<td>5,31,975</td>
<td>5,31,975</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consumable Stores</th>
<th>Security Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,63,483</td>
<td>10,63,483</td>
</tr>
<tr>
<td>2,48,053</td>
<td>2,48,053</td>
</tr>
<tr>
<td>6,55,530</td>
<td>6,55,530</td>
</tr>
<tr>
<td>3,09,040</td>
<td>3,09,040</td>
</tr>
<tr>
<td>3,69,975</td>
<td>3,69,975</td>
</tr>
<tr>
<td>5,31,975</td>
<td>5,31,975</td>
</tr>
<tr>
<td>3,69,975</td>
<td>3,69,975</td>
</tr>
<tr>
<td>5,31,975</td>
<td>5,31,975</td>
</tr>
<tr>
<td>3,69,975</td>
<td>3,69,975</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Excess of Revenue over Expenditure, Account for the year</th>
<th>Loss Profit at 1st April 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,57,121</td>
<td>12,57,121</td>
</tr>
<tr>
<td>38,981</td>
<td>38,981</td>
</tr>
</tbody>
</table>

---

**HIS MAJESTY'S MINT, BOMBAY.**

**189. Balance Sheet as at 31st March 1930.**

**E. PRICE, A. C. A.,**

Assistant Director of Commercial Audit, Bombay Circle.

**D. FITZMAURICE,**

Major, R. E. (Retd.), Mint Master, H. Majesty's Mint, Bombay.

**A. K. PATAKNER,**

Accountant, H. Majesty's Mint, Bombay.
### HIS MAJESTY’S MINT, BOMBAY.

#### 121. Trading and Profit and Loss account for the year ended 31st March 1930.

<table>
<thead>
<tr>
<th></th>
<th>1929-30.</th>
<th>1928-29.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>To opening balance on 1st April</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot; Cost of Coinage</td>
<td>2,18,61,649</td>
<td>25,36,191</td>
</tr>
<tr>
<td>&quot; Loss on withdrawal of uncurren coins</td>
<td>7,95,386</td>
<td>8,25,745</td>
</tr>
<tr>
<td>&quot; Bullion Office costs</td>
<td>1,00,186</td>
<td>1,14,429</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,27,57,221</td>
<td>39,14,864</td>
</tr>
</tbody>
</table>

| To Gross loss brought down |            |            |
| " Share of Assay Office costs | 8,66,839   | 4,59,204   |
| " Nickel washing costs      | 49,476     | 83,885     |
| " Cost of recovery of silver drosses | 17,739     | 7,963      |
| " Silver Refinery costs     | 3,56,723   | 49,456     |
| " Silver losses in melting  | 40,890     | 29,543     |
| " Standard melting costs    | 1,302      | 28,798     |
| " Die Department costs      | 28,644     | 14,697     |
| " Loss on verification of nickel |          | 13,138     |
| " Loss on sales of nickel   |            | 28,057     |
| " *** bronze                |            | 6,706      |
| **Total**                   | 13,60,515  | 7,28,923   |

| By Issue of coinage          | 1,72,72,660 | 34,55,060  |
| " Closing balance of finished coins on 31st March | 46,17,722    |            |
| " Gross loss carried down    | 8,66,839    | 4,59,204   |
| **Total**                   | 2,27,57,221 | 39,14,864  |

| By Profit on gold melting and refining |            |            |
| " Receipts from sales of drosses     | 62,140     | 38,011     |
| " Miscellaneous receipts and adjustments | 18,995    | 4,524      |
| " Not loss carried to Balance Sheet  | 12,259     | 7,553      |
| **Total**                           | 12,67,121  | 6,78,533   |

<table>
<thead>
<tr>
<th></th>
<th>1929-30.</th>
<th>1928-29.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
</tbody>
</table>
## HIS MAJESTY’S MINT, BOMBAY.

### 122. Statement of Stores, etc., for the year 1929-30.

<table>
<thead>
<tr>
<th>Stores</th>
<th>Opening balance on 1st April 1929</th>
<th>Value of receipts during the year</th>
<th>Sold or disposed of.</th>
<th>Depreciation or write off.</th>
<th>Closing balance on 31st March 1930</th>
<th>Results of stock verification and revaluation if any.</th>
<th>Agency employed for revaluation or verification.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. A. F.</td>
<td>Rs. A. F.</td>
<td>Rs. A. F.</td>
<td>Rs. A. F.</td>
<td>Rs. A. F.</td>
<td>Rs. A. F.</td>
<td>A portion of the main stores was verified during the first half of the year by one of the Mint Engineers. No verification was carried out in the second half of the year as the Mint was working on Dollar coinage and no engineer could be spared. The small balances of the consumable stores in the Die and Gold Departments were not verified during the year, under review. Bullion stocks were verified by the Examiner, Outside Audit in April 1930.</td>
</tr>
<tr>
<td>Consumable Stores</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main</td>
<td>3,52,185 10</td>
<td>0</td>
<td>1,67,364 8 8</td>
<td>1,97,441 1 8</td>
<td>4,768 9 0</td>
<td>3,17,308 8 0</td>
<td>(a)</td>
</tr>
<tr>
<td>Workshop</td>
<td>1,331 14</td>
<td>5</td>
<td>21,230 3 8</td>
<td>20,218 1 11</td>
<td>2,344 0 2</td>
<td></td>
<td>(b)</td>
</tr>
<tr>
<td>Die Department</td>
<td>1,445 4 4</td>
<td>0</td>
<td>6,677 9 3</td>
<td>6,146 11 4</td>
<td>841 8 0</td>
<td>1,154 10 3</td>
<td>(c)</td>
</tr>
<tr>
<td>Gold Departments</td>
<td>513 6 7</td>
<td>0</td>
<td>10,019 1 8</td>
<td>9,443 4 8</td>
<td>1,069 3 7</td>
<td></td>
<td>(d)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,55,446 3 4</td>
<td>2,00,391 5 3</td>
<td>2,33,249 2 7</td>
<td>5,550 1 0</td>
<td>3,21,938 4 0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Loss in Coal coke and shortages in verification and write back.
(b) Includes Rs. 110 returned to stores.
(c) Write back of the value of stock of medal cases from Rs. 1-12-0 to Rs. 1-1-0 each.
(d) The value of Dies and Collars finished and in progress amounting Rs. 11,607-8-0 is not included.

(Sd.) A. K. PATANKER,  
Accountant,  
His Majesty’s Mint, Bombay.

(Sd.) D. FITZMAURICE,  
Major, R. E. (Retd.) Mint Master,  
His Majesty’s Mint, Bombay.

(Sd.) E. PRICE,  
Assistant Director of Commercial Audit,  
Bombay Circle.
CHAPTER III.

GOVT. OF INDIA—FINANCE DEPARTMENT.

Central Board of Revenue Concerns.

NORTHERN INDIA SALT REVENUE DEPARTMENT.

SECTION I.


123. The system of maintaining Commercial Accounts in the Northern India Salt Revenue Department was introduced with effect from the 1st April 1924. These Accounts are prepared from the figures supplied by the Audit Officer, Indian Stores Department, who is the Accounts Officer for the Northern India Salt Revenue Department.

The general control of the Northern India Salt Revenue Department is exercised by the Commissioner with a Headquarters Office in Delhi. The Salt Sources, the accounts of which have been commercialised, fall into two geographical groups, namely (1) the Rajputana Salt Sources, which comprise the works at Sambar, Didwana and Pachbadra, and where salt is manufactured by solar evaporation of the brine and (2) the Salt Range Division, which comprise the salt mines at Khewra, Warcha and Kalabagh.

124. Under the orders conveyed in the Central Board of Revenue's U. O. C. No. 305-Salt/28, dated the 28th May 1930, the Commercial Accounts for the year 1929-30 have been prepared from the audited figures for March 1930 Final I Batch, as they stood on the 15th June 1930 and not, as was done last year, on figures up to the 1st August. This change has admitted of the preparation of the accounts much earlier than usual and of their audit, which was commenced by the Commercial Audit Department on the 17th July 1930, being completed by the 23rd August 1930.

Any adjustments which are made subsequent to the March 1930 Final I Batch statement will be accounted for in the accounts for 1930-31.

125. Some important changes were made in the method of allocating indirect charges relating to weightment and the Commissioner's Headquarters office, etc., between "Price", "Duty" and "Dispatch" in the year under review.

The important items of expenditure and changes effected in allocation are explained below:

(a) Weightment charges.—In the accounts for 1924-25 weightment charges, except direct dispatch charges, were allocated between price and duty in the ratio of 1 to 5, i.e., in the ratio of the fixed rates of price and duty of salt at Sambar which were 0-4-0 and 1-4-0 respectively. In subsequent years
these charges have been debited to price, but in accordance with the orders conveyed in the Government of India’s letter C. No. 117-Salt/29 dated the 15th June 1923 only 1/6th of the weightment charges have this year been debited to “Price”, the remaining 5/6th, after deducting 15 per cent. for debit to “dispatch” being borne by Government finally as part of the cost of collection of revenue.

(b) Commissioner’s Headquarters Office charges.—In 1924-25 and 1925-26 practically the whole of expenditure relating to the Commissioner’s Headquarters office was debited to Manufacture. In the accounts for 1926-27 to 1928-29 1/10th of the charges under this head were debited to “Preventive” and the remaining 9/10th to “Price”. This 9/10th was distributed amongst the various sources of the Department in the proportion the Revenue Expenditure of each source bore to the total Revenue Expenditure of all the sources combined.

In compliance with the orders conveyed in the Government of India’s letter R. Dis. No. 290-Salt/29, dated the 5th June 1930, 12½ per cent. of these charges instead of 1/10th have been allocated to “Preventive” (Internal Branch and Kohat divisions only) and the balance, namely 87½ per cent. distributed amongst the various salt sources in proportion to the Revenue Expenditure at each source under the heads Price, Duty and Dispatch.

(c) In previous years the interest and depreciation on the capital expenditure incurred in connection with the transport and storage schemes at Sambhar were wholly debited to “Price”. In view, however, of the fact that the introduction of these schemes has resulted in a reduction of the “Dispatch” rate, 7½ per cent. of the interest and depreciation charges in respect of them have this year been debited to “Dispatch.” This rate was fixed in consultation with the Director of Commercial Audit and the Audit Officer, Indian Stores Department.

(d) In their U. O. C. No. 305-Salt/28, dated the 28th May 1930 the Central Board of Revenue accepted the proposals of the Auditor General that certain Miscellaneous Receipts which were not previously taken into account when calculating the cost price of salt should in future be deducted from the total cost of production and the cost price calculated on the balance. These orders have been given effect to and the following deductions have been made in calculating the cost price:

(i) Electric energy supplied to private parties.
(ii) Work done by workshops for private parties.
(iii) Terminal charges recovered from the B. B. & C. I. Railway.
(iv) Petty items such as—
(a) Recovery of rent from officers for occupation of rest houses.
(b) Fees levied on traders on account of changes of destination.
(c) Recoveries on account of hire of departmental locomotives and trucks by contractors.
(d) Recoveries of overpayment on account of excavation and manufacture of salt in previous years.
(e) Recoveries on account of water supplied to priv. 3 parties.
(f) **Manufacture Charges.**—These charges represent expenditure on establishment employed on the manufacture of salt, payments to miners or manufacturers, cost of electric current, carriage of salt, maintenance of permanent way and rolling stock and other plant and machinery.

(g) **Royalties and Compensations.**—These payments are made in compensation for the following:

1. The leasing of certain salt sources to Government.
2. The introduction of measures in Indian States to enable the Government to abolish the Inland Customs Line.
3. The suppression of salt manufacture in Indian States.
4. The transfer to the British Government of the right to levy duty on salt consumed by the subjects of these States.

Royalty payable to Jodhpur and Jaipur is debited to the cost of production at Sambhar. Of the other treaty payments and compensations a fixed sum of Rs. 3 lakhs is allocated between Sambhar, Nachbadra and Didwana prorata to the issues during the year.

(h) **Net expenditure on Stores and Workshop establishment.**—Represents expenditure on General Stores, Workshop and Electric Power House at Sambhar and Khawra u.m.s. recoveries on account of services rendered to other branches of the Department, such as "Manufacture", "Weighment", etc.

(i) **Pensionary charges.**—Calculated at rates applicable to Government servants lent to other employers. These rates are governed by elaborate Government orders issued from the Finance Department.

(j) **Interest on Capital.**—Before 1928-29 interest was calculated on the value of assets such as, land, buildings, other works, plant and machinery, roads and bridges, furniture and fittings, general stores and bags. But from 1928-29 interest is calculated on the value of the fixed pl. s floating assets including the value of the net stock of salt at the beginning of the year, pl. s half the Capital Outlay during the year. The Government of India in their Finance Department (Central Revenue’s) letter C. No. 26-Salt/30, dated the 3rd May. 1930, have, however, decided that interest should in future be charged on the value of the net capital (all fixed and floating assets less liabilities) at the beginning of the year, and that transactions during the year should be ignored for the purpose of calculation of interest charges. These orders will be given effect to from the year 1930-31.

(k) **Depreciation charges.**—Depreciation is charged annually for a full year on the complete assets in existence at the end of the year and is calculated on the diminishing value method.
The rates of depreciation are:

<table>
<thead>
<tr>
<th>Item</th>
<th>Per cent.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and other works</td>
<td>2.5</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>10</td>
</tr>
<tr>
<td>Sanding of Pans</td>
<td>10</td>
</tr>
<tr>
<td>Flume at Kheera</td>
<td>15</td>
</tr>
</tbody>
</table>

No depreciation is charged on furniture and fittings, roads and bridges, filling subsidence in the mine hill and new surveys of the mine.

(l) Cost of Account and Audit Establishment.—9/10ths of this is debited to Manufacture and 1/10th to Preventive. It also includes the fees paid to the Commercial Audit Staff.

126. The expenditure charged to the Manufacturing branch of the Department for the year under review was Rs. 3,82,788-10-6 less than that for 1928-29. This reduction is due to the changes in the method of allocation of charges mentioned in para. 125 above. The expenditure under manufacture (i.e., direct manufacture charges), leave salary and overseas pay paid in England and net stores and workshop charges have, however, increased this year from Rs. 14,31,880-14-2, Rs. 20,175-12-3 and Rs. 82,267-1-9 to Rs. 14,77,360-3-8, Rs. 54,447-0-0 and Rs. 54,120-0 respectively. The increase is mainly due to the expenditure of Rs. 34,719-15-2 on protective works and petty construction and repairs necessitated by the floods at Sambhar and under "Leave salary and overseas pay", to Mr. J. C. Fergusson, late Commissioner’s leave salary and sterling overseas pay for the year 1928-29 having been debited to the accounts for 1929-30. The increase under net expenditure on stores and workshop is attributable to lesser recoveries having been effected in the year under review than in the previous year.

127. The working results of the manufacturing branch for the year 1929-30 disclosed a net profit of Rs. 55,750 on the whole (vide consolidated trading and profit and loss account) against a loss of Rs. 3,58,006 in 1928-29. The results at the several sources during the two years are compared below:

<table>
<thead>
<tr>
<th>Sources</th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Loss</td>
<td>Profit</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sambhar</td>
<td>1,04,343</td>
<td>...</td>
</tr>
<tr>
<td>Didwana</td>
<td>...</td>
<td>18,985</td>
</tr>
<tr>
<td>Jachhadra</td>
<td>...</td>
<td>62,491</td>
</tr>
<tr>
<td>Kheera</td>
<td>27,931</td>
<td>2,11,200</td>
</tr>
<tr>
<td>Warcha</td>
<td>36,238</td>
<td>...</td>
</tr>
<tr>
<td>Kalabagh</td>
<td>14,447</td>
<td>10,844</td>
</tr>
<tr>
<td>Total</td>
<td>1,04,343</td>
<td>1,09,093</td>
</tr>
</tbody>
</table>

Net result: 35,750 3,58,006

128. In the year 1927-28 there was a net loss of Rs. 3,60,904. There was a profit of Rs. 2,31,914 in the Sambhar and Didwana sources and losses of
Rs. 1,04,149 and Rs. 4,88,669 respectively in respect of the Pachbadra source and the Salt Range Division (Khwra, Warcha and Kalabagh sources) the net loss, as stated above, being Rs. 3,60,904.

129. If the credits for 1928-29 of Rs. 50,276 and Rs. 1,98,552 respectively under the heads "Interest on the balance of the depreciation fund" and "other miscellaneous receipts" and of Rs. 68,160 and Rs. 1,73,526 for the year 1929-30 are excluded, the net loss for 1928-29 will be increased to Rs. 6,06,836 while the transactions for 1929-30 will show a loss of Rs. 1,85,936. The following table compares the figures of profit or loss at the individual sources for the two years after excluding the items referred to above:

<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit</td>
<td>Loss</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sambhar</td>
<td>2,76,374</td>
<td>10,282</td>
</tr>
<tr>
<td>Didwana</td>
<td>10,282</td>
<td>76,255</td>
</tr>
<tr>
<td>Pachbadra</td>
<td>2,49,104</td>
<td></td>
</tr>
<tr>
<td>Khwra</td>
<td>17,329</td>
<td>12,000</td>
</tr>
<tr>
<td>Warcha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kalabagh</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>17,329</td>
<td>6,24,165</td>
</tr>
<tr>
<td>Net Loss</td>
<td>6,06,836</td>
<td></td>
</tr>
</tbody>
</table>

130. The results of the activities of the year 1929-30 and 1928-29 analysed under manufacturing and other operations after excluding the net credit under the head "Interest on the balance of depreciation fund" and "other miscellaneous receipts" are as follows:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Salt—Net loss</td>
<td>1,92,401</td>
<td>8,37,098</td>
</tr>
<tr>
<td>Bages—Net profit</td>
<td>7,944</td>
<td>12,811</td>
</tr>
<tr>
<td>Dispatch—Net profit</td>
<td>1,33,908</td>
<td>2,14,193</td>
</tr>
<tr>
<td>Gypsum—Net profit</td>
<td>3,786</td>
<td>3,256</td>
</tr>
</tbody>
</table>

The details of these results by sources are furnished in the following tables:

**SALT.**

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit</td>
<td>Loss</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sambhar</td>
<td>18,834</td>
<td>2,33,315</td>
</tr>
<tr>
<td>Didwana</td>
<td>59,875</td>
<td>73,758</td>
</tr>
<tr>
<td>Pachbadra</td>
<td>22,768</td>
<td>2,878</td>
</tr>
<tr>
<td>Khwra</td>
<td>13,193</td>
<td>12,090</td>
</tr>
<tr>
<td>Warcha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kalabagh</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,14,072</td>
<td>1,878</td>
</tr>
<tr>
<td>Net loss</td>
<td>1,92,401</td>
<td>8,37,098</td>
</tr>
</tbody>
</table>
### BAGS

<table>
<thead>
<tr>
<th>Sources</th>
<th>1929-30</th>
<th></th>
<th>1928-29</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit</td>
<td>Loss</td>
<td>Profit</td>
<td>Loss</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sambhur</td>
<td>10</td>
<td></td>
<td></td>
<td>962</td>
</tr>
<tr>
<td>Pachhadora</td>
<td>16</td>
<td></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Khewra</td>
<td>7,950</td>
<td></td>
<td>13,776</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,960</td>
<td>16</td>
<td>13,776</td>
<td>965</td>
</tr>
</tbody>
</table>

**Net profit or loss:** 7,944 ... 12,811 ...

### DISPATCH

<table>
<thead>
<tr>
<th>Sources</th>
<th>1929-30</th>
<th></th>
<th>1928-29</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit</td>
<td></td>
<td>Profit</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td></td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>Sambhur</td>
<td>73,995</td>
<td></td>
<td>132,078</td>
<td></td>
</tr>
<tr>
<td>Pachhadora</td>
<td>694</td>
<td></td>
<td>8,586</td>
<td></td>
</tr>
<tr>
<td>Khewra</td>
<td>47,905</td>
<td></td>
<td>59,480</td>
<td></td>
</tr>
<tr>
<td>Warcha</td>
<td>10,442</td>
<td></td>
<td>15,431</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,33,008</td>
<td></td>
<td>2,14,195</td>
<td></td>
</tr>
</tbody>
</table>

131. Sanctioned selling rates as compared with the corresponding average and actual costs of production of salt per maund at each source during the years 1929-30 and 1928-29 are shown in the table given below:

<table>
<thead>
<tr>
<th>Sources</th>
<th>Sanctioned selling price of salt per maund (b)</th>
<th>Average cost of salt per maund including opening balance</th>
<th>Actual cost of production of salt per maund</th>
<th>Difference between selling price and average cost—selling price more—selling price less</th>
<th>Difference between selling price and actual cost—selling price more—selling price less</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sambhur</td>
<td>{0.43}</td>
<td>0.5 6.86</td>
<td>0.5 6.87</td>
<td>{—0.1 3.86}</td>
<td>{—0.1 3.87}</td>
</tr>
<tr>
<td>Didwana</td>
<td>{0.50}</td>
<td>0.2 4.74</td>
<td>0.2 2.40</td>
<td>{0.0 2.06}</td>
<td>{0.0 2.07}</td>
</tr>
<tr>
<td>Pachhadora</td>
<td>{0.33}</td>
<td>0.3 0.88</td>
<td>0.3 1.60</td>
<td>{0.0 0.72}</td>
<td>{0.0 0.70}</td>
</tr>
<tr>
<td>Khewra</td>
<td>{0.36}</td>
<td>0.4 8.89</td>
<td>0.4 8.26</td>
<td>{0.0 0.63}</td>
<td>{0.0 0.64}</td>
</tr>
<tr>
<td>Warcha</td>
<td>{0.33}</td>
<td>0.3 5.31</td>
<td>0.3 5.51</td>
<td>{0.0 0.20}</td>
<td>{0.0 0.21}</td>
</tr>
<tr>
<td>Kalabagh</td>
<td>{0.34}</td>
<td>0.3 7.39</td>
<td>0.3 7.34</td>
<td>{0.0 0.61}</td>
<td>{0.0 0.60}</td>
</tr>
</tbody>
</table>

*(b) Selling price raised from 15th July 1929.*
### 1928-29.

<table>
<thead>
<tr>
<th>Sources</th>
<th>Sanctioned selling price of salt per maund</th>
<th>Average cost of salt per maund including opening balance</th>
<th>Actual cost of production of salt per maund</th>
<th>Difference between selling price and average cost—selling price more + selling price less</th>
<th>Difference between selling price and actual cost—selling price more + selling price less</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sambar</td>
<td>0 4 3</td>
<td>0 4 11-96</td>
<td>0 5 2-40</td>
<td>-0 0 3-96</td>
<td>-0 0 11-49</td>
</tr>
<tr>
<td>Didwana</td>
<td>0 2 0</td>
<td>0 3 3-99</td>
<td>0 3 3-76</td>
<td>-0 1 3-99</td>
<td>-0 1 3-76</td>
</tr>
<tr>
<td>Pachbadra</td>
<td>0 2 0 (a)</td>
<td>0 6 10-19</td>
<td>0 5 8-51</td>
<td>-0 3 7-19</td>
<td>-0 2 5-51</td>
</tr>
<tr>
<td>Khewra</td>
<td>0 3 0</td>
<td>0 5 3-56</td>
<td>0 5 2-36</td>
<td>-0 1 9-36</td>
<td>-0 1 8-36</td>
</tr>
<tr>
<td>Warcha</td>
<td>0 3 0</td>
<td>0 3 5-45</td>
<td>0 3 5-45</td>
<td>0 0 0-55</td>
<td>0 0 0-55</td>
</tr>
<tr>
<td>Kalabagh</td>
<td>0 3 0</td>
<td>0 3 11-39</td>
<td>0 3 11-37</td>
<td>-0 0 5-39</td>
<td>-0 0 5-37</td>
</tr>
</tbody>
</table>

(a) Selling price raised with effect from 27th May 1928.

It will be observed that, with the exception of Sambar and Khewra, the selling prices now cover the cost of production.

The new selling prices of salt take into account not only the cost of production at each source but also the need for maintaining more or less constant zones of consumption. They have also been so fixed that Government should recover the total cost of production taking the Northern India sources and Kharagedha together. The prices include 1/6th of weightage charges only as explained in para. 125 above.

At Sambar both the actual cost and the average cost of production in 1929-30 were more than in 1928-29 and they were also higher than the selling price. This is due to the destruction by floods of 10,22,237 Mds. of salt at Nawa and to additional expenditure having to be incurred on flood protective works. In the case of Khewra also the actual cost and the average cost were more than the selling price although the cost of production at this source was 4 pies less per maund under each head than in 1928-29.

132. The figures of output of salt together with the prime cost, overhead cost and total cost per maund at the various salt sources for the year 1928-29 and 1929-30 are furnished below:

### 1929-30.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sambar</td>
<td>40,65,593</td>
<td>0 1 6-88</td>
<td>0 4 0-19</td>
<td>0 5 4-87</td>
</tr>
<tr>
<td>Didwana</td>
<td>4,91,826</td>
<td>0 1 5-13</td>
<td>0 0 9-27</td>
<td>0 2 4-40</td>
</tr>
<tr>
<td>Pachbadra</td>
<td>14,96,192</td>
<td>0 2 1-83</td>
<td>0 0 11-75</td>
<td>0 2 1-60</td>
</tr>
<tr>
<td>Khewra</td>
<td>29,90,078</td>
<td>0 3 2-66</td>
<td>0 1 5-60</td>
<td>0 4 8-26</td>
</tr>
<tr>
<td>Warcha</td>
<td>5,27,350</td>
<td>0 2 3-31</td>
<td>0 1 2-30</td>
<td>0 3 5-31</td>
</tr>
<tr>
<td>Kalabagh</td>
<td>4,05,687</td>
<td>0 3 0-21</td>
<td>0 0 0-43</td>
<td>0 3 7-34</td>
</tr>
</tbody>
</table>
1928-29.

<table>
<thead>
<tr>
<th>Sources</th>
<th>Output maunds</th>
<th>Prime cost per maund</th>
<th>Overhead cost per maund</th>
<th>Cost of production per maund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sambhar</td>
<td>67,20,424</td>
<td>0 1 1-23</td>
<td>0 4 1-26</td>
<td>0 5 2-49</td>
</tr>
<tr>
<td>Didwana</td>
<td>2,87,084</td>
<td>0 1 9-01</td>
<td>0 1 8-75</td>
<td>0 3 2-78</td>
</tr>
<tr>
<td>Pachpadra</td>
<td>8,22,796</td>
<td>0 2 10-40</td>
<td>0 2 10-11</td>
<td>0 5 8-51</td>
</tr>
<tr>
<td>Khewra</td>
<td>30,56,478</td>
<td>0 3 5-90</td>
<td>0 1 8-46</td>
<td>0 5 2-36</td>
</tr>
<tr>
<td>Warcha</td>
<td>6,51,716</td>
<td>0 2 3-26</td>
<td>0 1 2-19</td>
<td>0 3 5-45</td>
</tr>
<tr>
<td>Kalabagh</td>
<td>4,32,062</td>
<td>0 3 0-84</td>
<td>0 0 10-53</td>
<td>0 3 11-37</td>
</tr>
</tbody>
</table>

133. The manufacture of salt during 1929-30, apart altogether from bagging and dispatch operations resulted in a total loss of Rs. 1,92,401 against a loss of Rs. 8,37,098 in 1928-29. Of this loss of Rs. 1,92,401 the share of the Rajputana Salt Sources Division was Rs. 1,54,606 and of the Salt Range Division Rs. 37,795. During 1928-29, the losses of the two Divisions namely, Rajputana Salt Sources and Salt Range, amounted to Rs. 5,01,213 and Rs. 3,35,885 respectively.

The following table compares the losses at the several sources during 1929-30 and 1928-29:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sambhar</td>
<td>23,315</td>
<td>4,08,000</td>
</tr>
<tr>
<td>Didwana</td>
<td>-18,824</td>
<td>10,982</td>
</tr>
<tr>
<td>Pachpadra</td>
<td>-59,875</td>
<td>82,841</td>
</tr>
<tr>
<td>Khewra</td>
<td>73,758</td>
<td>3,25,973</td>
</tr>
<tr>
<td>Warcha</td>
<td>-22,768</td>
<td>-1,978</td>
</tr>
<tr>
<td>Kalabagh</td>
<td>-13,195</td>
<td>12,900</td>
</tr>
<tr>
<td>Total Salt Range Division</td>
<td>37,795</td>
<td>3,35,885</td>
</tr>
<tr>
<td>Grand Total</td>
<td>1,92,401</td>
<td>8,37,098</td>
</tr>
</tbody>
</table>

134. The value of the stock of salt on 31st March 1930 amounted to Rs. 6,94,588. In the case of Sambhar, Pachpadra and Khewra the value has been calculated on the selling prices ruling at these sources as the average cost of production was higher than the selling price. For the other sources (Didwana, Warcha and Kalabagh) the stock has been valued at the average cost of production, as in the case of these sources, the selling price was higher than the cost of production.

A deficit of Mds. 2,30,369-20 of salt was discovered at Sambhar source during the year 1929-30.
135. Subjoined is a statement showing the cost prices and the issue rates of bags and the profit or loss thereon during the years 1928-29 and 1929-30:

### 1929-30.

<table>
<thead>
<tr>
<th></th>
<th>Selling price per bag</th>
<th>Average cost per bag</th>
<th>Profit or Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sambhar</td>
<td>Varying between Rs. 36-8 and Rs. 44-11 per 100 bags.</td>
<td>0 6 10-58</td>
<td>11</td>
</tr>
<tr>
<td>Pachbadra</td>
<td>0 8 6</td>
<td>0 8 11-10</td>
<td>-16</td>
</tr>
<tr>
<td>Khewra</td>
<td>0 7 6</td>
<td>0 7 2-31</td>
<td>7,950</td>
</tr>
</tbody>
</table>

### 1928-29.

<table>
<thead>
<tr>
<th></th>
<th>Selling price per bag</th>
<th>Average cost per bag</th>
<th>Profit or Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sambhar</td>
<td>Varying between Rs. 41 to 44-8 per 100 bags.</td>
<td>0 6 9-62</td>
<td>-982</td>
</tr>
<tr>
<td>Pachbadra</td>
<td>0 8 6</td>
<td>0 8 9-91</td>
<td>-3</td>
</tr>
<tr>
<td>Khewra</td>
<td>0 8 6</td>
<td>0 8 7-77</td>
<td>13,776</td>
</tr>
</tbody>
</table>

There were no transactions in bags at Didwana, Warcha and Kalabagh. The profit of Rs. 7,950 at Khewra was due to bags having been sold at Re.0-8-6 up to 1st June 1929 and at Re. 0-7-6 from this date onwards against the average cost price of Re. 0-7-2-31.

The prices of bags at Khewra was reduced from Rs. 0-8-6 to 0-7-6 per bag with effect from 1st June 1929.

136. The dispatch charges account disclosed a profit of Rs. 1,33,008 during 1929-30 as compared with Rs. 2,14,195 during the previous year. A comparative table showing the sanctioned rates of recovery and the actual rate worked out on the basis of the figures incorporated in the accounts for the years 1928-29 and 1929-30 is furnished below:

### 1929-30.

<table>
<thead>
<tr>
<th>Sources</th>
<th>Sanctioned rate of recovery per maund of salt</th>
<th>Actual cost per maund of salt</th>
<th>Sanctioned rate of recovery per maund of salt</th>
<th>Actual cost per maund of salt</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
</tr>
<tr>
<td>Sambhar</td>
<td>0 0 6</td>
<td>0 0 3-34</td>
<td>0 0 6</td>
<td>0 0 2-44</td>
</tr>
<tr>
<td>Pachbadra</td>
<td>0 0 9</td>
<td>0 0 8-89</td>
<td>0 0 9</td>
<td>0 0 8-19</td>
</tr>
<tr>
<td>Khewra</td>
<td>0 0 6</td>
<td>0 0 2-96</td>
<td>0 0 6</td>
<td>0 0 2-31</td>
</tr>
<tr>
<td>Warcha</td>
<td>0 0 6</td>
<td>0 0 2-13</td>
<td>0 0 6</td>
<td>0 0 1-40</td>
</tr>
</tbody>
</table>
As a result of the classification of the weight and other charges explained in para. 125 above indirect charges relating to 'Dispatch' have now been charged to this account. The amounts of indirect dispatch charges are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sambhar</td>
<td>35,653</td>
</tr>
<tr>
<td>Pachhadra</td>
<td>16,743</td>
</tr>
<tr>
<td>Khewra</td>
<td>12,449</td>
</tr>
<tr>
<td>Warcha</td>
<td>2,234</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>61,161</td>
</tr>
</tbody>
</table>

137. The total quantity of gypsum excavated and sold during 1929-30 amounted to 6,692 tons 10 cwts. The total charges both direct or indirect incurred on excavation amounted to Rs. 10,854. The sale of gypsum during the year 1929-30 realized Rs. 14,268 including Rs. 44 relating to the previous year. The year closed with Rs. 416 due from purchasers of gypsum and the new profit on this account was Rs. 3,786 compared with Rs. 3,256 in 1928-29.

138. The stock balance of general stores at Warcha at the end of the year under review was a credit balance of Rs. 8,927-12-3 which is unusual and is due to transfers of stores from Khewra to Warcha the values of which had not been taken on to the books. The matter is being regularized by the Audit Officer, Indian Stores Department.

139. A net profit of Rs. 54,120 is shown on stores, workshops and electric power house establishment. Details are as under:

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Khewra</td>
<td>65,106</td>
</tr>
<tr>
<td>Warcha</td>
<td>224</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>65,330</td>
</tr>
<tr>
<td>Less: loss at Sambhar</td>
<td>11,210</td>
</tr>
<tr>
<td><strong>Less total</strong></td>
<td>54,120</td>
</tr>
</tbody>
</table>

The loss at Sambhar is due to recoveries for electric energy supplied to private parties having been credited to Miscellaneous Receipts instead of being accounted for as a deduction from charges as was done prior to 1928-29. At Khewra the total expenditure during 1929-30 under General Workshop amounted to Rs. 63,669 while the value of outturn debitable to other branches and parties and credited to General Workshop Account amounted to Rs. 66,825. There was thus a net profit of Rs. 3,156. The corresponding profit for 1928-29 was Rs. 9,705.

140. The net sum credited during 1929-30 on account of Miscellaneous Receipts amounted to Rs. 1,73,569 the figures for the years 1928-29 and 1927-28 being Rs. 1,98,552 and 2,58,353 respectively. The most important individual item is a sum of Rs. 90,856 received from the B. B. and C. I. Railway as terminal charges for the use of the departmental sidings at Sambhar, Gulha, etc. For 1928-29 the terminal charges recovered from the Railway amounted to Rs. 1,23,757.
Section II.—Remarks by the Director of Commercial Audit.

141. The following is a summary of the working results of the year 1929-30 as compared with the previous two years:

<table>
<thead>
<tr>
<th></th>
<th>Year 1929-30</th>
<th>Year 1928-29</th>
<th>Year 1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output (Salt)</td>
<td>Mds.</td>
<td>Mds.</td>
<td>Mds.</td>
</tr>
<tr>
<td></td>
<td>1,08,16,950</td>
<td>1,16,70,561</td>
<td>1,07,32,159</td>
</tr>
<tr>
<td>Turnover (Salt)</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>28,45,916</td>
<td>33,50,079</td>
<td>25,61,902</td>
</tr>
<tr>
<td>Do. (Gypsum)</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>14,268</td>
<td>15,912</td>
<td>4,922</td>
</tr>
<tr>
<td>Manufacture of Salt—Net Loss</td>
<td>-1,92,402</td>
<td>-8,37,088</td>
<td>-8,44,773</td>
</tr>
<tr>
<td>Bags—Net Profit</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>7,944</td>
<td>12,811</td>
<td>-2,337</td>
</tr>
<tr>
<td>Dispatch—Net Profit</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>1,33,008</td>
<td>2,14,195</td>
<td>1,90,709</td>
</tr>
<tr>
<td>Gypsum—Net Profit</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>3,786</td>
<td>3,265</td>
<td>1,269</td>
</tr>
<tr>
<td>Percentage of Gypsum Profit in its turnover</td>
<td>20-5</td>
<td>20-5</td>
<td>28-06</td>
</tr>
<tr>
<td>Net Profit of the Manufacturing Branch as a whole</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>55,759</td>
<td>-3,58,009</td>
<td>-3,60,995</td>
</tr>
<tr>
<td>Percentage of Net Loss on Salt Turnover</td>
<td>211</td>
<td>-9-30</td>
<td>-14-93</td>
</tr>
</tbody>
</table>

142. The results of the year 1929-30 show marked improvement as compared with the previous years. This is mainly due to the adoption in the year 1929-30 of a revised method of allocation of some important items of indirect charges (referred to in para. 125 of the Financial Review), and the increase in the selling prices. The benefit on this account approximately amounts to as follows:

(a) Gain by the increase in selling prices Rs. 3,97,910
(b) Decrease in the charges debited to the Manufacturing Branch on account of the revised method of allocation of expenditure Rs. 2,16,305

Total Rs. 6,14,215

143. The "overhead cost per maund of salt" given in para. 132 of the Financial Review shows a decrease at all the sources except Warcha. It will be noticed, however, that in spite of the adoption of the revised method of allocating overhead charges, the overhead cost of salt at Warcha showed an increase of 0-11 pias per md. as compared with that of last year. This was the outcome of a considerable fall in production during the year, the value of which was not counterbalanced by the transfer of overhead charges.

The above facts also account for the increase in the "cost of production" at Warcha by 0-06 pias per maund as compared with the year 1928-29. The increased "cost of production" of 4-38 pias per maund at Sambar as compared with the year 1928-29 is due to the reasons given at end of para. 131 of the Financial Review.

144. From the total amount of Miscellaneous Receipts (less refunds) during the year, viz., Rs. 1,73,468-8-4 a sum of Rs. 1,38,216 has been taken against the cost of production of salt. The balance Rs. 35,252-3-4, owing to lack of details, remains unallocated. Please see para. 140 of the Financial Review.
Whereas "Sundry Miscellaneous Receipts" have been taken into account in working out the cost of production the receipt on account of "Interest on the balance of the Depreciation Fund—Rs. 68,160" during the year 1929-30 has, in the absence of Government orders, not been similarly treated in the accounts. The cost of production of Salt would have been slightly less than what is shown in the accounts under review if such interest had been credited to cost of production.

145. The interest has been worked out in the accounts of the year on the method detailed in para. 125 (j) of the Financial Review. Had interest been calculated in the accounts of the year 1929-30 at the revised method approved by Government the charge would have amounted to an increase of approximately Rs. 45,000 over what is adopted in the accounts, and the figure of net profit for the year would have in consequence been reduced to Rs. 10,750 approximately against Rs. 55,750 as shown in the Accounts.

146. The Balance Sheet has not been certified correct by the Commercial Audit Officer owing to the reasons given in para. 67 of the Proceedings of the 1928-29 Report of the Public Accounts Committee (Page 29—Grant 18—Salt). The question of maintaining a Journal and General Ledger is under consideration of the Central Board of Revenue.
### Balance Sheet

#### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>1929-30 (Rs.)</th>
<th>1928-29 (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sundry Creditors</td>
<td>41,377</td>
<td>2,45,140</td>
</tr>
<tr>
<td>Depreciation Reserve</td>
<td>13,84,653</td>
<td>11,35,000</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>2,57,582</td>
<td>2,48,755</td>
</tr>
<tr>
<td>Government Account</td>
<td>95,53,082</td>
<td>1,02,50,980</td>
</tr>
<tr>
<td>Add — Transactions during the year</td>
<td>4,81,510</td>
<td>...</td>
</tr>
<tr>
<td>Deduct — Transactions during the year</td>
<td>...</td>
<td>6,97,808</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,17,18,206</td>
<td>1,11,80,877</td>
</tr>
</tbody>
</table>

---

**APPENDIX TO THE APPROPRIATION ACCOUNTS OF THE**

### NORTHERN INDIA SALT

147. Balance Sheet
REVENUE DEPARTMENT.

as at 31st March 1930.

<table>
<thead>
<tr>
<th>Assets</th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Land</td>
<td>1,05,798</td>
<td>1,05,798</td>
</tr>
<tr>
<td>Buildings</td>
<td>11,97,332</td>
<td>11,42,102</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>80,552</td>
<td>56,612</td>
</tr>
<tr>
<td></td>
<td>12,77,884</td>
<td>11,98,614</td>
</tr>
<tr>
<td>Deduct—Sales and Transfers</td>
<td>83,562</td>
<td>1,282</td>
</tr>
<tr>
<td>Roads and Bridges</td>
<td>56,819</td>
<td>58,910</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>869</td>
<td>*</td>
</tr>
<tr>
<td></td>
<td>57,688</td>
<td>56,819</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>15,37,042</td>
<td>15,84,454</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>33,326</td>
<td>33,867</td>
</tr>
<tr>
<td></td>
<td>15,66,438</td>
<td>15,87,321</td>
</tr>
<tr>
<td>Deduct—Sales and Transfers</td>
<td>30,186</td>
<td>91,279</td>
</tr>
<tr>
<td></td>
<td>15,36,252</td>
<td>15,27,042</td>
</tr>
<tr>
<td>Other Works</td>
<td>63,12,866</td>
<td>63,59,529</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>65,017</td>
<td>55,180</td>
</tr>
<tr>
<td></td>
<td>65,77,883</td>
<td>55,14,709</td>
</tr>
<tr>
<td>Deduct—Sales and Transfer</td>
<td>3,068</td>
<td>1,843</td>
</tr>
<tr>
<td></td>
<td>55,74,815</td>
<td>55,12,236</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td>41,317</td>
<td>41,317</td>
</tr>
<tr>
<td>General Stores</td>
<td>9,64,711</td>
<td>9,22,883</td>
</tr>
<tr>
<td>Depreciation Fund Investment Account</td>
<td>16,42,237</td>
<td>13,34,655</td>
</tr>
<tr>
<td>Sundry Debtors</td>
<td>2,42,319</td>
<td>7,669</td>
</tr>
<tr>
<td>Profit and Loss Account per contra</td>
<td>3,68,747</td>
<td>4,24,497</td>
</tr>
</tbody>
</table>

Total                                           | 1,17,18,206| 1,11,80,877|
## APPENDIX TO THE APPROPRIATION ACCOUNTS OF THE

### NORTHERN INDIA SALT

#### 148. Comparative Consolidated Trading and Profit and Loss Accounts

#### Debits.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Sambhar</th>
<th>Didwana</th>
<th>Pachhadra</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>A</td>
<td>(a)</td>
<td>B</td>
<td>(b)</td>
</tr>
<tr>
<td>To Salt Stock (at commencement)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacture</td>
<td>4,77,338</td>
<td>4,63,217</td>
<td>43,893</td>
</tr>
<tr>
<td>Weightage Charges</td>
<td>13,795</td>
<td>1,08,839</td>
<td>1,253</td>
</tr>
<tr>
<td>Share of Commissioner’s Head Quarters Office Charges</td>
<td>3,931</td>
<td>41,505</td>
<td>2,698</td>
</tr>
<tr>
<td>Medical Charges</td>
<td>8,219</td>
<td>8,887</td>
<td>78</td>
</tr>
<tr>
<td>Royalties and Salt Compensation</td>
<td>8,00,505</td>
<td>9,73,715</td>
<td>14,314</td>
</tr>
<tr>
<td>Pensionary Charges</td>
<td>24,028</td>
<td>34,090</td>
<td>1,252</td>
</tr>
<tr>
<td>Leave Salary and over seas pay paid in England</td>
<td>27,996</td>
<td>11,991</td>
<td>1,996</td>
</tr>
<tr>
<td>Interest on Capital outlay</td>
<td>2,78,924</td>
<td>3,44,423</td>
<td>1,367</td>
</tr>
<tr>
<td>Depreciation Charges</td>
<td>1,41,917</td>
<td>1,62,223</td>
<td>281</td>
</tr>
<tr>
<td>Cost of Accounts and Audit Establishment</td>
<td>18,140</td>
<td>22,894</td>
<td>1,290</td>
</tr>
<tr>
<td>Stationery and Printing</td>
<td>1,143</td>
<td>3,846</td>
<td>19</td>
</tr>
<tr>
<td>Contribution of Bonus to Provident Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Other Items.

| To Refunds (Sale proceeds)        | 15,529           | 27,092            |                   | 3,805            | 892              | 1,738           |
| Refunds (Miscellaneous Revenue Receipts). |                   |                   |                    |                  |                  |                  |
| Salt Indents (at commencement)    | 7,05,215         |                   | -736              | -                | -                |
| Salt Indents (at close)            | 98,363           |                   | 4,549             | -                | -                |
| Bags Account—Loss                  | 1,04,343         |                   | 18,088            | -                | 62,401           |

#### Total.

| Rs. | 23,34,243 | 37,03,865 | 1,02,601 | 81,289 | 4,01,065 | 3,90,447 |

(a) Mds. 25,32,205 of Sambhar Salt valued at the selling price Rs. 0-4-3 per maund = 6,09,180

(b) 1,23,637 Didwana do. do. do. do. 0-2-0 do. 15,705

(c) 3,73,697 Pachhadra do. do. do. do. 0-3-3 do. 75,907

(d) 3,12,340 Khewra do. do. do. do. 0-3-6 do. 68,324

(e) 1,420 Kalabagh do. do. do. do. 0-3-6 do. 310
# REVENUE DEPARTMENT.

Loss Account for the year ended 31st March 1930.

<table>
<thead>
<tr>
<th>Khewra</th>
<th>Warcha</th>
<th>Kalabagh</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929-30</td>
<td>1928-29</td>
<td>1929-30</td>
<td>1929-30</td>
</tr>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td><strong>D</strong></td>
<td><strong>E</strong></td>
<td><strong>F</strong></td>
<td><strong>(f)</strong></td>
</tr>
<tr>
<td>62,781</td>
<td>68,324</td>
<td>3</td>
<td>1,212</td>
</tr>
<tr>
<td>6,02,110</td>
<td>6,58,128</td>
<td>74,773</td>
<td>92,528</td>
</tr>
<tr>
<td>7,698</td>
<td>55,763</td>
<td>922</td>
<td>8,078</td>
</tr>
<tr>
<td>32,440</td>
<td>47,170</td>
<td>5,165</td>
<td>8,187</td>
</tr>
<tr>
<td>7,942</td>
<td>9,423</td>
<td>2,455</td>
<td>2,994</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18,555</td>
<td>24,662</td>
<td>2,392</td>
<td>5,000</td>
</tr>
<tr>
<td>15,619</td>
<td>6,532</td>
<td>2,099</td>
<td>525</td>
</tr>
<tr>
<td>1,24,315</td>
<td>1,27,101</td>
<td>10,705</td>
<td>9,760</td>
</tr>
<tr>
<td>1,08,788</td>
<td>1,14,776</td>
<td>13,358</td>
<td>10,328</td>
</tr>
<tr>
<td>18,385</td>
<td>26,025</td>
<td>2,471</td>
<td>4,016</td>
</tr>
<tr>
<td>2,018</td>
<td>4,362</td>
<td>36</td>
<td>77</td>
</tr>
<tr>
<td>843</td>
<td>1,771</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,215</td>
<td>1,638</td>
<td>5,873</td>
<td>602</td>
</tr>
<tr>
<td>58</td>
<td>9</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>52,570</td>
<td></td>
<td>-75,593</td>
</tr>
<tr>
<td></td>
<td>-1,34,122</td>
<td></td>
<td>64,398</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10,37,694</td>
<td>10,34,412</td>
<td>1,58,231</td>
<td>1,21,398</td>
</tr>
</tbody>
</table>

(A) Mnds. 22,40,418 of Sambhar Salt valued at the selling price of Rs. 0-4-3 per md. = Rs. 5,06,111
(B) 1,02,366 " Diddwa " " " " " 0-3-6 " = Rs. 15,995
(C) 2,00,885 " Pachbad " " " " " 0-3-8 " = Rs. 40,806
(D) 2,87,000 " Khewra " " " " " 0-3-6 " = Rs. 62,781
(E) 18 " Warcha " " average cost of production of Rs. 0-3-5-45 per md. = Rs. 3
(F) 5,540 " Kalabagh " selling price of Rs. 0-3-6 per md. = Rs. 1,211
## Comparative Consolidated Trading and Profit and Loss Accounts

### Credits

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Sambhar</th>
<th>Didwana</th>
<th>Pachbadra</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1928-29</td>
<td>1928-29</td>
<td>1928-29</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>By Sale proceeds of Salt</td>
<td>14,50,619</td>
<td>27,12,527</td>
<td>50,396</td>
</tr>
<tr>
<td>&quot; Salt Indents (at close)</td>
<td>55,093</td>
<td></td>
<td>-543</td>
</tr>
<tr>
<td>&quot; Miscellaneous Revenue Receipts</td>
<td>1,46,125</td>
<td>1,70,520</td>
<td>30</td>
</tr>
<tr>
<td>&quot; Interest on Balance of Depreciation Fund</td>
<td>39,424</td>
<td>29,165</td>
<td>122</td>
</tr>
<tr>
<td>&quot; Stores and Workshops and Electric Power House Etc.</td>
<td>-11,210</td>
<td>-11,945</td>
<td></td>
</tr>
<tr>
<td>&quot; Profit on Dispatch Account</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot; Profit on Gypsum</td>
<td>73,066</td>
<td>1,32,687</td>
<td></td>
</tr>
<tr>
<td>&quot; Profit on Bags</td>
<td>10</td>
<td>-962</td>
<td></td>
</tr>
<tr>
<td>(f) Salt Stock (at close)</td>
<td>4,83,348</td>
<td>5,95,111</td>
<td>30,048</td>
</tr>
<tr>
<td>(g) Net Loss</td>
<td></td>
<td>70,762</td>
<td></td>
</tr>
<tr>
<td>(h) Salt Indents at commencement</td>
<td>96,868</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>23,34,243</td>
<td>37,03,865</td>
<td>1,02,601</td>
</tr>
</tbody>
</table>

Certified that the figures contained in this account have been reconciled with those furnished including March 1929 Supplementary and that the figures for March 1930 final 2nd batch and

F. REID,  
Offg. Commissioner,  
N. I. S. R.  

RAM LABHAYA,  
Head Accountant.

(f) Mda. 15,46,714 of Sambhar Salt valued at the selling price of Rs. 0.5-0 per md. = Rs. 4,83,348  
(g) 2,60,867 Didwana average cost of production Rs. 0-2-4-74 per md. = Rs. 39,048  
(h) 4,12,6334 Pachbadra average cost of production Rs. 0-3-6-88 per md. = Rs. 22,153  
(i) 2,84,500 Khewra selling price of Rs. 0-4-6 per md. = Rs. 80,016  
(k) 31 Warcha average cost of production Rs. 0-3-5-31 per md. = Rs. 7  
(m) 64 Katalagh average cost of production Rs. 0-3-7-39 per md. = Rs. 14
## REVENUE DEPARTMENT.

Account for the year ended 31st March 1930—contd.

<table>
<thead>
<tr>
<th>Khewra</th>
<th>Warcha</th>
<th>Kalabagh</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1929-30</td>
<td>1929-30</td>
<td>1929-30</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>6,49,724</td>
<td>5,32,963</td>
<td>1,22,914</td>
<td>1,21,967</td>
</tr>
<tr>
<td>3,21,711</td>
<td>-34,004</td>
<td>-30,755</td>
<td>-1,931</td>
</tr>
<tr>
<td>21,042</td>
<td>20,016</td>
<td>378</td>
<td>645</td>
</tr>
<tr>
<td>24,575</td>
<td>18,048</td>
<td>2,762</td>
<td>1,998</td>
</tr>
<tr>
<td>65,106</td>
<td>93,900</td>
<td>224</td>
<td>1,307</td>
</tr>
<tr>
<td>47,906</td>
<td>29,466</td>
<td>10,442</td>
<td>15,450</td>
</tr>
<tr>
<td>3,786</td>
<td>3,256</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7,950</td>
<td>13,776</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(i)</td>
<td>(J)</td>
<td>(L)</td>
<td>(m)</td>
</tr>
<tr>
<td>80,016</td>
<td>62,781</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>-</td>
<td>2,11,200</td>
<td>-</td>
<td>-10,972</td>
</tr>
<tr>
<td>-1,84,122</td>
<td>-</td>
<td>54,398</td>
<td>-47,075</td>
</tr>
</tbody>
</table>

| 10,37,694| 10,34,412| 1,56,221| 1,21,398| 1,08,678| 1,48,169| 41,40,502| 54,85,529|

by the Audit Officer, Indian Stores Department for the year 1929-30 (March final 1st batch). Supplementary will be incorporated in the accounts for 1930-31.

S. C. SEN,
Assistant Audit Officer,
Northern India Circle (Commercial).

(G) 22,40,418 of Sambhar Salt valued at the selling price of Rs 0-4-3 per md. = Rs. 5,95,111

(H) 1,62,365 " Dhiwana " " " " " " - " - " - = Rs. 15,995

(I) 1,90,885 " Pachhadr " " " " " " - " - " - = Rs. 40,805

(J) 2,57,000 " Khewra " " " " " " - " - " = Rs. 62,782

(N) 5,340 " Warcha " average cost of production of Rs 0-3-5-45 per md. = Rs. 3

(L) 3,040 " Kalabagh " selling price of Rs 0-3-6 per md. = Rs. 1,212
### NORTHERN INDIA SALT

#### 150. Comparative Special Abstract Trading and Profit and Loss

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Sambhar</th>
<th>Didwana</th>
<th>Pachpadra</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1929-30</td>
<td>1928-29</td>
<td>1929-30</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>To Loss on Bags</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on Salt</td>
<td>2,33,315</td>
<td>4,08,000</td>
<td>-8,834</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,33,315</td>
<td>4,08,000</td>
<td>18,834</td>
</tr>
</tbody>
</table>

### Khewra, Warcha, Kalabagh, Total

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Khewra</th>
<th>Warcha</th>
<th>Kalabagh</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1929-30</td>
<td>1928-29</td>
<td>1929-30</td>
<td>1928-29</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>73,758</td>
<td>3,25,673</td>
<td>-22,768</td>
<td>-1,878</td>
</tr>
</tbody>
</table>

73,758  3,25,673  -22,768  -1,878  -13,195  12,000  1,92,402  8,37,098
## Revenue Department

**Loss Account by Products for the year 1929-30.**

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>1929-30</td>
<td>1928-29</td>
<td>1929-30</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>By Profit on Dispatch</td>
<td>73,966</td>
<td>1,32,678</td>
<td>—</td>
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<tr>
<td>By Profit on Gypsum</td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>By Profit on Bags</td>
<td>10</td>
<td>—962</td>
<td>—</td>
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<tr>
<td><strong>Total Miscellaneous Receipts</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on balances of Depreciation Fund</td>
<td>39,424</td>
<td>29,165</td>
<td>122</td>
</tr>
<tr>
<td>Other net miscellaneous receipts</td>
<td>15,572</td>
<td>1,70,447</td>
<td>30</td>
</tr>
<tr>
<td>Net Loss (+) Profit (—)</td>
<td>—1,04,343</td>
<td>+76,762</td>
<td>—18,986</td>
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<tr>
<td>Total</td>
<td>2,33,315</td>
<td>4,08,000</td>
<td>—18,834</td>
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</table>

<table>
<thead>
<tr>
<th>Khewra.</th>
<th>Warcha.</th>
<th>Kalabagh.</th>
<th><strong>Total</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>47,906</td>
<td>59,480</td>
<td>10,442</td>
<td>15,481</td>
</tr>
<tr>
<td>3,756</td>
<td>3,256</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>7,950</td>
<td>13,776</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>24,575</td>
<td>18,048</td>
<td>2,763</td>
<td>1,998</td>
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<tr>
<td>17,472</td>
<td>19,913</td>
<td>265</td>
<td>645</td>
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<tr>
<td>—27,931</td>
<td>2,11,200</td>
<td>—36,238</td>
<td>—19,972</td>
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<td>73,758</td>
<td>3,25,673</td>
<td>22,768</td>
<td>—1,878</td>
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</table>
## NORTHERN INDIAN SALT

### 151. Comparative Cost Sheet of

<table>
<thead>
<tr>
<th></th>
<th>Sambhar</th>
<th>Didwana</th>
<th>Pachbadra</th>
</tr>
</thead>
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<tr>
<td></td>
<td>1929-30</td>
<td>1928-29</td>
<td>1929-30</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
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<tr>
<td>Opening Balance</td>
<td>6,99,664</td>
<td>7,33,453</td>
<td>21,321</td>
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<tr>
<td>Charges for the year</td>
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<td></td>
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<tr>
<td>Manufacturing charges</td>
<td>4,77,338</td>
<td>4,63,217</td>
<td>43,803</td>
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<tr>
<td>Share of Commissioner’s headquarters</td>
<td>37,931</td>
<td>41,605</td>
<td>2,698</td>
</tr>
<tr>
<td>Royalties and Compensations</td>
<td>8,00,505</td>
<td>9,73,715</td>
<td>14,314</td>
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<tr>
<td>Interest on capital</td>
<td>2,78,934</td>
<td>3,44,428</td>
<td>1,397</td>
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<tr>
<td>Depreciation charges</td>
<td>1,41,917</td>
<td>1,62,223</td>
<td>231</td>
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<tr>
<td>Weighment charges</td>
<td>13,796</td>
<td>1,08,833</td>
<td>1,252</td>
</tr>
<tr>
<td>Expenditure on: Medical, stores and workshops, pensionary charges, leave salaries, bonus to provident fund depositors, cost of audit and accounting and stationery and printing</td>
<td>88,735</td>
<td>93,456</td>
<td>3,735</td>
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<tr>
<td>Recoveries</td>
<td>-1,30,553</td>
<td></td>
<td></td>
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<tr>
<td>Total</td>
<td>24,08,267</td>
<td>29,20,830</td>
<td>88,941</td>
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</table>

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufactured during the year</td>
<td>49,05,594</td>
<td>67,20,424</td>
<td>4,01,821</td>
<td>2,57,084</td>
<td>14,96,192</td>
<td>5,22,796</td>
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<tr>
<td>Deduct—Deficits and writes Off.</td>
<td>2,30,370</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Add—Commencing balance</td>
<td>22,40,418</td>
<td>26,32,206</td>
<td>1,02,365</td>
<td>1,25,636</td>
<td>2,00,886</td>
<td>3,73,697</td>
</tr>
<tr>
<td>Total mds.</td>
<td>69,15,642</td>
<td>93,52,630</td>
<td>5,94,186</td>
<td>4,12,720</td>
<td>16,97,078</td>
<td>8,96,403</td>
</tr>
</tbody>
</table>

| Average cost per mds. | 0-3-6-86 | 0-4-11-96 | 0-2-4-74 | 0-3-3-99 | 0-3-6-88 | 0-6-10-19 |
| Issue rate | 0-4-3 | 0-4-3 | 0-2-6 | 0-2-0 | 0-3-3 | 0-3-3 |
| Cost of production per mds. for the year | 0-3-6-87 | 0-5-2-49 | 0-2-2-40 | 0-3-2-76 | 0-3-1-50 | 0-5-8-51 |
| Prime cost per mds. for the year | 0-1-6-68 | 0-1-1-23 | 0-1-5-13 | 0-1-9-01 | 0-2-1-82 | 0-2-10-40 |
| Difference (over head charges) | 0-4-0-19 | 0-4-1-26 | 0-0-0-27 | 0-1-5-75 | 0-0-11-78 | 0-5-10-11 |
## REVENUE DEPARTMENT.

Salt for the year 1929-30.

<table>
<thead>
<tr>
<th>Khewra</th>
<th>Warcha</th>
<th>Kalabagh</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929-30</td>
<td>1928-29</td>
<td>1929-30</td>
<td>1928-29</td>
</tr>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>95,000</td>
<td>1,22,400</td>
<td>3</td>
<td>1,367</td>
</tr>
<tr>
<td>6,02,140</td>
<td>6,68,128</td>
<td>74,773</td>
<td>92,528</td>
</tr>
<tr>
<td>38,440</td>
<td>47,176</td>
<td>5,165</td>
<td>8,187</td>
</tr>
<tr>
<td>2,24,315</td>
<td>1,27,101</td>
<td>10,705</td>
<td>9,700</td>
</tr>
<tr>
<td>1,08,788</td>
<td>1,14,776</td>
<td>12,358</td>
<td>10,328</td>
</tr>
<tr>
<td>7,694</td>
<td>55,753</td>
<td>992</td>
<td>8,076</td>
</tr>
<tr>
<td>-1,745</td>
<td>-20,146</td>
<td>9,230</td>
<td>11,804</td>
</tr>
<tr>
<td>[-3,542]</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>9,71,006</td>
<td>11,15,285</td>
<td>1,14,074</td>
<td>1,40,653</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>29,60,078</td>
<td>30,50,478</td>
<td>5,27,580</td>
<td>6,51,716</td>
<td>4,05,687</td>
<td>4,22,952</td>
<td>1,08,16,952</td>
<td>1,16,79,660</td>
</tr>
<tr>
<td>—</td>
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<td>—</td>
<td>—</td>
<td>—</td>
<td>2,30,370</td>
<td>—</td>
</tr>
<tr>
<td>2,57,000</td>
<td>3,12,340</td>
<td>16</td>
<td>—</td>
<td>5,540</td>
<td>1,420</td>
<td>28,86,225</td>
<td>34,45,299</td>
</tr>
<tr>
<td>32,77,078</td>
<td>33,68,818</td>
<td>5,27,596</td>
<td>6,51,716</td>
<td>4,11,227</td>
<td>4,33,482</td>
<td>1,34,22,807</td>
<td>1,51,15,859</td>
</tr>
</tbody>
</table>

| 0-4-8-89 | 0-3-3-56 | 0-3-3-51 | 0-3-3-45 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 |
| 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 |
| 0-4-6-6   | 0-4-6-6   | 0-4-6-6   | 0-4-6-6   | 0-4-6-6   | 0-4-6-6   | 0-4-6-6   | 0-4-6-6   |
| 0-4-8-89 | 0-4-8-89 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 | 0-3-3-39 |
| 0-3-2-66 | 0-3-2-66 | 0-3-2-66 | 0-3-2-66 | 0-3-2-66 | 0-3-2-66 | 0-3-2-66 | 0-3-2-66 |
| 0-1-5-60 | 0-1-5-60 | 0-1-5-60 | 0-1-5-60 | 0-1-5-60 | 0-1-5-60 | 0-1-5-60 | 0-1-5-60 |

---
## NORTHERN INDIA SALT

### 152. Statement showing the details of the manufacturing

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Sambar Expenditure during 1928-29 (Rs.)</th>
<th>Sambar Expenditure during 1929-30 (Rs.)</th>
<th>Didwana Expenditure during 1928-29 (Rs.)</th>
<th>Didwana Expenditure during 1929-30 (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Manufacture—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Pay of Officers</td>
<td>42,761</td>
<td>39,017</td>
<td>2,100</td>
<td>3,181</td>
</tr>
<tr>
<td>2. Pay of Establishment</td>
<td>1,04,127</td>
<td>1,11,954</td>
<td>3,277</td>
<td>3,437</td>
</tr>
<tr>
<td>3. Allowances</td>
<td>4,288</td>
<td>4,877</td>
<td>924</td>
<td>1,097</td>
</tr>
<tr>
<td>4. Supplies and Services—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Manufacturing and Excavation Charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Manufacture and Excavation</td>
<td>1,97,474</td>
<td>1,84,439</td>
<td>23,099</td>
<td>35,398</td>
</tr>
<tr>
<td>(2) Carriage of Salt</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Cost of Electric current</td>
<td>37,148</td>
<td>39,240</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Maintenance of air compressor Plant</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total of 4(a)</strong></td>
<td>2,34,622</td>
<td>2,23,679</td>
<td>23,099</td>
<td>35,398</td>
</tr>
<tr>
<td>(b) Other Charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Maintenance of permanent way and rolling stock.</td>
<td>29,668</td>
<td>28,503</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Petty Construction and ordinary Repairs</td>
<td>21,300</td>
<td>21,123</td>
<td>1,500</td>
<td>454</td>
</tr>
<tr>
<td>(3) Water Supply charges</td>
<td>5,805</td>
<td>5,154</td>
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<td></td>
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<tr>
<td>(4) Maintenance of Tools and Plant</td>
<td>72</td>
<td>6</td>
<td></td>
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<tr>
<td>(5) Arms and Accoutrements</td>
<td>31</td>
<td>325</td>
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<td></td>
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<tr>
<td>(6) Miscellaneous</td>
<td>395</td>
<td>900</td>
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<td></td>
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<td>(7) Compensation to sufferers</td>
<td>1,377</td>
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<td>53</td>
<td>46</td>
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<tr>
<td>(8) Clothing Charges</td>
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</tr>
<tr>
<td>(9) Claims for damages on account of subsidence at Khewra.</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(10) Protective Works and Repairs</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(11) Value of unserviceable articles and losses written off</td>
<td>620</td>
<td>636</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total of 4 (b)</strong></td>
<td>69,268</td>
<td>80,577</td>
<td>1,613</td>
<td>500</td>
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<tr>
<td><strong>Total supplies and services</strong></td>
<td>2,63,889</td>
<td>2,13,256</td>
<td>24,712</td>
<td>35,768</td>
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<tr>
<td><strong>Total of Items 1 to 4</strong></td>
<td>4,65,065</td>
<td>4,69,104</td>
<td>31,013</td>
<td>43,473</td>
</tr>
</tbody>
</table>

(—) Indicates
## REVENUE DEPARTMENT.

charges as per cost sheet of salt for 1928-29 and 1929-30.

<table>
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<th></th>
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<tbody>
<tr>
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<td>---</td>
</tr>
<tr>
<td>Rs.</td>
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<td>Rs.</td>
<td>Rs.</td>
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<tr>
<td>3,887</td>
<td>4,962</td>
<td>38,648</td>
<td>29,119</td>
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<td>10,966</td>
<td>20,226</td>
<td>47,735</td>
<td>48,518</td>
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<td>1,053</td>
<td>1,470</td>
<td>3,361</td>
<td>3,505</td>
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<tr>
<td>61,917</td>
<td>1,65,433</td>
<td>2,55,418</td>
<td>2,54,341</td>
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<tr>
<td>2,700</td>
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<td>23,837</td>
<td>24,480</td>
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<td>1,554</td>
<td>2,323</td>
<td>9,560</td>
<td>12,045</td>
</tr>
<tr>
<td>1,645</td>
<td>2,536</td>
<td>1,066</td>
<td>2,229</td>
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<td>284</td>
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</tr>
<tr>
<td>240</td>
<td>215</td>
<td>806</td>
<td>3,400</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>6,143</td>
<td>8,398</td>
<td>94,500</td>
<td>81,507</td>
</tr>
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<td>68,060</td>
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<td>5,70,179</td>
<td>5,12,778</td>
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<tr>
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<td>6,59,913</td>
<td>5,39,329</td>
</tr>
</tbody>
</table>

*minus figures.*
## NORTHERN INDIA SALT

**152. Statement showing the details of the manufacturing**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Sambar</th>
<th>Didwana</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td><strong>Expenditure during 1928-29.</strong></td>
<td><strong>Expenditure during 1929-30.</strong></td>
<td><strong>Expenditure during 1928-29.</strong></td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

### 5. Contingencies —

| (1) Purchase, Repairs and Carriage of tents. | 43 | 10 |
| (2) Rent, Rates and Taxes | 1,364 | 809 | 29 | 29 |
| (3) Plague Charges | ... | ... | ... | ... |
| (4) Local Purchase of Stationery | 23 | 1 |
| (5) Postage and Telegram Charges | 1,331 | 1,394 |
| (6) Monials' Charges | 2,088 | 2,067 | 120 | 120 |
| (7) Office expenses and Miscellaneous. | 1,037 | 1,091 | 167 | 148 |
| (8) Hot and Cold weather charges | 507 | 454 | 102 | 82 |
| (9) Grain Compensation allowance | 32 |
| (10) Circuit House Contingencies | 500 | 514 |
| (11) Rent of Telephone Lines | ... |
| (12) Purchase of Books | 66 | 282 |
| (13) Purchase and Repairs to Furniture. | 358 | 192 |
| (14) Clothing Charges | ... | 620 |
| (15) Charges in connection with the deputation of officer. | 216 |

| Total of Contingencies | 8,132 | 8,134 | 409 | 420 |

6. **Contribution for passages of officers transferred to or from other Government.**

| Total | 4,62,217 | 4,77,338 | 31,422 | 43,893 |
### REVENUE DEPARTMENT.

Charges as per cost sheet of salt for 1928-29 and 1929-30—contd.

<table>
<thead>
<tr>
<th>Pachadra</th>
<th>Khewra</th>
<th>Warcha</th>
<th>Kalabagh</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditure during 1928-29.</strong></td>
<td><strong>Expenditure during 1929-30.</strong></td>
<td><strong>Expenditure during 1928-29.</strong></td>
<td><strong>Expenditure during 1929-30.</strong></td>
</tr>
<tr>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
</tr>
<tr>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>11</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>18</td>
<td>6</td>
<td>225</td>
</tr>
<tr>
<td>364</td>
<td>372</td>
<td>4</td>
<td>1,460</td>
</tr>
<tr>
<td>134</td>
<td>2</td>
<td>1,221</td>
<td>2,016</td>
</tr>
<tr>
<td>263</td>
<td>265</td>
<td>3,390</td>
<td>238</td>
</tr>
<tr>
<td>280</td>
<td>380</td>
<td></td>
<td></td>
</tr>
<tr>
<td>108</td>
<td>108</td>
<td>19</td>
<td>54</td>
</tr>
<tr>
<td>33</td>
<td>414</td>
<td>180</td>
<td></td>
</tr>
<tr>
<td>1210</td>
<td>777</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>62</td>
<td>231</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>33</td>
<td>181</td>
<td>60</td>
</tr>
<tr>
<td>280</td>
<td>400</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>708</strong></td>
<td><strong>705</strong></td>
<td><strong>8,216</strong></td>
<td><strong>8,100</strong></td>
</tr>
<tr>
<td><strong>93,674</strong></td>
<td><strong>2,01,243</strong></td>
<td><strong>6,08,129</strong></td>
<td><strong>6,02,110</strong></td>
</tr>
</tbody>
</table>

(—) Indicates minor figures.
NORTHERN INDIA SALT REVENUE DEPARTMENT.


<table>
<thead>
<tr>
<th>Description</th>
<th>Salt Stores</th>
<th>Bales</th>
<th>General Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td></td>
<td>Amount</td>
</tr>
<tr>
<td></td>
<td>Mds.</td>
<td>No.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Opening balance</td>
<td>23,30,224</td>
<td>24,300</td>
<td>2,14,707</td>
</tr>
<tr>
<td>Receipts from all sources (Manufacture, Excavation, Purchase, etc.)</td>
<td>1,16,10,918</td>
<td>2,01,024</td>
<td>1,20,125</td>
</tr>
<tr>
<td>Total</td>
<td>1,44,53,142</td>
<td>3,18,324</td>
<td>3,24,882</td>
</tr>
<tr>
<td>Issues of all kinds</td>
<td>1,09,17,197</td>
<td>1,87,757</td>
<td>1,27,997</td>
</tr>
<tr>
<td>Wastage, etc., written-off by competent authority</td>
<td>(c) 10,31,135</td>
<td>(d) 35</td>
<td>692</td>
</tr>
<tr>
<td>Total</td>
<td>1,19,48,332</td>
<td>1,87,792</td>
<td>1,28,389</td>
</tr>
<tr>
<td>Closing balance</td>
<td>23,64,810</td>
<td></td>
<td>2,00,422</td>
</tr>
<tr>
<td>Value</td>
<td>(a) 6,94,588</td>
<td></td>
<td>(b) 57,518</td>
</tr>
</tbody>
</table>

(a) 15,46,714 Mds. at As. 5
2,84,500   " at As. 4-6
64   " at As. 3-7-39
4,12,634   " at As. 3-6
31   " at As. 3-5-31
2,60,367   " at As. 2-4-74
Total 6,94,588

(b) 1,11,538 Bales at As. 7-2-31
11,040   " at As. 6-10-57
4,234   " at As. 5-11-1
Total 57,518

(c) Includes 10,22,337 Mds. dissolved by floods at Nawab. The value of the quantity written-off = Rs. 3,21,776.

10,22,337 Mds. at As. 5
3,090 " at As. 4-0
3,708 " at As. 4
Total 3,21,776

(d) Value of quantity written-off = Rs. 15 at As. 7-2-31 per bag.
NOTES ON STORES ACCOUNT BY THE AUDIT OFFICER, INDIAN STORES DEPARTMENT.

This account represents a consolidated account prepared by the Audit Officer, Indian Stores Department, from statements received from local officers.

No physical verification of salt in stock was made during the year covered by the report, except at Warcha and Kalabagh where the smallness of the balance rendered such a verification easy. This was in pursuance of the decision of the Central Board of Revenue that a periodical verification of salt in stock would be much too expensive and that a check on weighment into store and on periodical clearance of heaps was all that was necessary in the circumstances of the case.

The closing stock of bags was verified by the departmental officers and the verification did not disclose any discrepancy. At Gudha the closing stock was arrived at by deducting the quantity issued from the quantity received. The irregularity was brought to the notice of the Head of the Department and he was requested to issue suitable instructions to the departmental officers to ensure actual verification at the end of each year.

The discrepancies which were noticed as a result of physical verification of General Stores at the end of 1928-29 are still under settlement. The closing balance at the end of 31st March 1930, was Rs. 2,06,493 (in value) as compared with Rs. 2,14,757 at the end of 1928-29.

(Sd.) P. M. RAU,
Audit Officer,
Indian Stores Department.

OPium Department.

Section I.—Financial Review by the Opium Agent on the Cost Accounts for the Year Ended 30th September 1929.

154. Balance Sheet.—The capital invested by the Government of India in the Opium Department, as on September 30, 1929, amounted to Rs. 65,11,001-13-8, of which Rs. 19,04,657 included charges for interest, cost of audit and accounts, pensionary liabilities, etc., due to Government during the opium year ended September 30, 1929. The net profit realised during the year amounted to Rs. 1,59,45,407-7-0. Including this profit, the aggregate sum due to the Government of India by the Opium Department amounted to Rs. 2,24,56,409-4-8 against the corresponding figure of Rs. 3,23,28,369 4-0 outstanding at the end of the last year.

The fixed assets amounted to Rs. 16,01,182-1-0 as compared with Rs. 16,54,329-4-0 on September 30, 1928; the details are—

<table>
<thead>
<tr>
<th>Details of fixed assets</th>
<th>On September 30, 1928</th>
<th>On September 30, 1929</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. as. p.</td>
<td>Rs. as. p.</td>
</tr>
<tr>
<td>Land</td>
<td>55,103 0 0</td>
<td>48,971 0 0</td>
</tr>
<tr>
<td>Buildings</td>
<td>14,03,061 4 0</td>
<td>13,45,484 4 0</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>46,155 0 0</td>
<td>1,06,720 15 0</td>
</tr>
<tr>
<td>Furniture and fittings</td>
<td>1,50,000 0 0</td>
<td>1,00,000 0 0</td>
</tr>
<tr>
<td>Total</td>
<td>16,54,329 4 0</td>
<td>16,01,182 1 0</td>
</tr>
</tbody>
</table>
Notwithstanding the increase under Plant and Machinery, by Rs. 60,561-13-0, there was a decrease of Rs. 53,147-3-0 under the total fixed assets, as compared with the corresponding figure shown in the accounts of the last year, due to allowances for depreciation written off, value of assets disposed of, and re-valuation of furniture and fittings during this year.

The floating assets amounted to Rs. 2,03,01,526-5-10 as compared with Rs. 3,81,48,355-12-0 on September 30, 1928. The decrease of Rs. 98,46,829-6-2 under this head as compared with the corresponding amount of last year, occurred mainly under provision opium, raw Benares opium and raw Malwa opium; provision opium accounting for a decrease of about Rs. 42 lakhs and the remaining products of about Rs. 56 lakhs. The bulk of the floating assets consisted of provision opium valued at about Rs. 81 lakhs, and crude opium, Malwa and Benares, valued at about Rs. 112 lakhs.

155. Under "Lands", the sum of Rs. 6,132, shown as a deduction during the year, represents the value of land occupied by the buildings disposed of during the year by sale or by transfer to other Government departments owing to the contraction of cultivation. The net book value of lands and buildings disposed of during the year amounted to Rs. 61,494. The sale proceeds realized, including the value of the buildings, etc., amounted to Rs. 56,965, resulting in a capital loss of Rs. 4,539. This loss is to be expected as many of the buildings are in remote places and the greatest difficulty is experienced in finding purchasers.

156. The value of sundry stores on hand on September 30, 1929 amounted to Rs. 62,313-15-10. The issue rates of the several articles were adjusted and revised, where necessary, during April 1928 to March 1929 with reference, as far as possible, to the then market rates. The valuation taken in the Balance Sheet as on September 30, 1929, was arrived at on the basis of the issue rates so fixed in the case of the balances on hand in April 1929, and on the figures available in the stores control account as regards subsequent transactions. The following table indicates the progressive reduction made in the value of sundry stores held in the Factory since the introduction of the Cost Accounts:

<table>
<thead>
<tr>
<th>Balance of Stores</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
</tr>
<tr>
<td>1st November 1926</td>
<td>2,14,341</td>
</tr>
<tr>
<td>1st October 1927</td>
<td>1,24,752</td>
</tr>
<tr>
<td>1st October 1928</td>
<td>1,00,677</td>
</tr>
<tr>
<td>1st October 1929</td>
<td>82,514</td>
</tr>
</tbody>
</table>

All surplus and unserviceable stores were written off during the year by the competent authority.

157. The advances outstanding on September 30, 1929 amounted to Rs. 5,70,611-11-4 as against Rs. 5,67,490-7-0 on September 30, 1928. The former amount includes Rs. 90,284-9-4 on account of advances made to the Malwa States and the advances for 1929-30 to those States are being reduced by that amount. The amount shown under "Sundry Debtors" amounted to Rs. 1,571-9-0 on September 30, 1929, as against Rs. 299-5-0 on September 30.
1928. The bulk of this amount was due from the Government Medical Stores Depots, and has since been adjusted.

The reduction of the Permanent advance, by Rs. 200 was due to the abolition, during the year, of two opium divisions, viz., Rai Bareilly and Bahraich consequent on the gradual reduction in cultivation.

158. **Sundry Creditors.**—The sum under this head on September 30, 1929 amounted to Rs. 20,482-6-6 as compared with Rs. 44,644-4-0 on September 30, 1928.

159. **Profit and Loss Account.**—The net profit of the year amounted to Rs. 1,59,45,407-7-0 as against Rs. 1,98,79,948 in the previous year. Out of this, provision opium accounts for Rs. 1,52,71,593-7-0 while Blended Excise and Special medical opium contributed Rs. 3,02,599-11-9 and Rs. 3,76,223-4-0, respectively. The decrease in the profit is mainly due to the smaller sales of provision opium during the year, 5985 chests as against 7286 in the previous year, in accordance with the policy of the Government of India for the cessation of this trade at the end of 1935. There was a loss of Rs. 584-3 on sale of Indian Medical Opium (Powder) due to an increase in the production rate per pound on account of the smaller quantity manufactured, and a loss of Rs. 2,146-9-0 on sale of alkaloids due mainly to items of a capital nature having been charged off finally to revenue under the existing procedure. The following statement shows the profit or loss of the year under review for each class of opium, as compared with the corresponding figures of the previous years:—
<table>
<thead>
<tr>
<th>Particulars</th>
<th>Year ended October 31, 1926</th>
<th>Year ended September 30, 1927</th>
<th>Year ended September 30, 1928</th>
<th>Year ended September 30, 1929</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit</td>
<td>Loss</td>
<td>Profit</td>
<td>Loss</td>
</tr>
<tr>
<td>----------------------------</td>
<td>--------</td>
<td>------</td>
<td>--------</td>
<td>------</td>
</tr>
<tr>
<td>Provision Opium</td>
<td>Rs. 1,96,95,712</td>
<td>Rs. 1,67,88,154</td>
<td>Rs. 1,89,39,957</td>
<td>Rs. 1,52,71,695</td>
</tr>
<tr>
<td>Excise Opium—Pure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benares</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bluddled</td>
<td>Rs. 15,833</td>
<td></td>
<td>Rs. 1,28,843</td>
<td></td>
</tr>
<tr>
<td>Special Medical Opium—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>British</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian Medical Opium—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Powder</td>
<td>Rs. 1,056</td>
<td></td>
<td>Rs. 723</td>
<td></td>
</tr>
<tr>
<td>Cake</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alkaloids</td>
<td>Rs. 1,65,870</td>
<td></td>
<td>Rs. 762</td>
<td></td>
</tr>
</tbody>
</table>
160. Provision Opium.—(a) The following statement compares the production cost, and the selling prices obtained during the year, with those of the previous years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Production cost per chest</th>
<th>Selling prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>1924</td>
<td>1,502 1.05</td>
<td>5</td>
</tr>
<tr>
<td>1925</td>
<td>1,475 13.5</td>
<td>3</td>
</tr>
<tr>
<td>1926</td>
<td>1,382 8.1</td>
<td>1</td>
</tr>
<tr>
<td>1927</td>
<td>1,318 2.0</td>
<td>0</td>
</tr>
<tr>
<td>(eleven months)</td>
<td>1,515 11.7</td>
<td>7</td>
</tr>
<tr>
<td>1928</td>
<td>1,392 8.0*</td>
<td>4,000 per chest</td>
</tr>
</tbody>
</table>

The decrease in the production cost is due to the reduction in stocks which means reduction in interest charges and to the use of opium purchased at cheaper rates since the stock of the drug purchased some years ago at Rs. 13 a seer has now been used up.

(b) The output of this class of opium for the year under review and the previous years, is given in the following table. The progressive decrease in the output is due to the policy of Government already mentioned that issues of this class of opium shall cease at the end of 1935.

**Output of Provision Opium.**

<table>
<thead>
<tr>
<th>Year</th>
<th>Cakes.</th>
<th>Chests.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1925-26</td>
<td>2,700,000</td>
<td>10,749</td>
</tr>
<tr>
<td>1926-27</td>
<td>2,600,000</td>
<td>7,000</td>
</tr>
<tr>
<td>1927-28</td>
<td>1,400,000</td>
<td>4,750</td>
</tr>
<tr>
<td>1928-29</td>
<td>1,23,400</td>
<td>2,226</td>
</tr>
</tbody>
</table>

161. Pure Benares Excise Opium.—(a) The cost of production during the year amounts to Rs. 25-2-8 per seer as against Rs. 25-3-8 in the previous year.

(b) The output of this class of opium for the year under report and the previous years is given in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Quantity.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1925-26</td>
<td>488 maunds at 90*</td>
</tr>
<tr>
<td>1926-27</td>
<td>596</td>
</tr>
<tr>
<td>1927-28</td>
<td>384</td>
</tr>
<tr>
<td>1928-29</td>
<td>450</td>
</tr>
</tbody>
</table>

Manufacture was carried out from the opening balance of the unfinished product already in the Opium Factory, viz., 137 maunds valued at Rs. 1,21,861-14-0 as also out of the quantity received during the year. The closing balance on September 30, 1929, consists of 235 maunds valued at Rs.

* Exclusive of packing charges.
2,01,455-0-0 on the basis of the actual cost of the raw materials included in
the balance plus about 50 per cent. of manufacturing and interest charges.

162. Blended Excise Opium.—The cost of production during the year
amounts to Rs. 21-10-0 per seer as against Rs. 22-6-10 of the previous year.
The decrease in the rate per seer, viz., Rs. 0-12-10, is due to the reduction
in interest charges and the manufacture of a larger quantity since overhead
charges remained more or less the same.

In working out the above rate of Rs. 21-10-0, the Raw Malwa opium issued
for manufacture was priced at the average issue rate of the opium year ended
September 30, 1927, viz., Rs. 565-7-3 per maund at a consistence of 70%, as
worked out in the accounts of that year, instead of Rs. 523-12-11, which was
the average rate at the end of the year under review, since crude Malwa opium
received during the season of 1929 was not drawn upon for manufacture of
the year under review. There has been a considerable decrease amounting
to about Rs. 33,000 in the value of the balances of unfinished products held
in the Factory during the year. This indicates careful control in the Factory
to secure that manufacture is not in excess of requirements. The profit of
Rs. 3,02,299-11-0 shown in this class of opium was due to the fixation of the
rates for the financial year on the basis of the actual production costs of the
preceding costing year and to the rounding off of pies.

The output of this class of opium for the year under review and for pre-
vious years is shown in the following table:

<table>
<thead>
<tr>
<th>Years</th>
<th>Quantity, Maunds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1925-26</td>
<td>7,384 at 90°</td>
</tr>
<tr>
<td>1926-27</td>
<td>7,430</td>
</tr>
<tr>
<td>1927-28</td>
<td>7,233</td>
</tr>
<tr>
<td>1928-29</td>
<td>7,498</td>
</tr>
</tbody>
</table>

163. Special Medical Opium.—The undermentioned table shows the output,
production cost and average selling price per chest of special medical
opium for the last four years, including the year under review:

<table>
<thead>
<tr>
<th>Year ended</th>
<th>No. of sheets produced</th>
<th>Production cost per chest</th>
<th>Average selling price per chest</th>
</tr>
</thead>
<tbody>
<tr>
<td>31st October 1926</td>
<td>638</td>
<td>2,385 5 4</td>
<td>1,951</td>
</tr>
<tr>
<td>20th September 1927</td>
<td>443</td>
<td>1,922 12 1</td>
<td>2,299</td>
</tr>
<tr>
<td>30th September 1928</td>
<td>480</td>
<td>1,682 11 6</td>
<td>2,694</td>
</tr>
<tr>
<td>20th September 1929</td>
<td>480</td>
<td>1,475 7 5</td>
<td>2,381</td>
</tr>
</tbody>
</table>

The decrease in the production cost is due partly to a decrease in interest
charges owing to the depletion of the opening stocks and partly to the use
in manufacture of a larger quantity of opium purchased at a lower rate.

164. Indian Medical Opium—Cake and Powder.—The following statement
compares the output, production rates of the year under review with those
worked out for the preceding years, and the present selling prices which were
fixed by the Government of India, Finance Department in their letter R.
### Indian Medical Opium

<table>
<thead>
<tr>
<th>Year</th>
<th>Output</th>
<th>Production rates</th>
<th>Sanctioned selling prices</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Rs. A. P.</td>
<td>Powder</td>
</tr>
<tr>
<td>1925-26</td>
<td>1,424</td>
<td>26.0 11.7</td>
<td>Rs. 20 per lb. for private firms.</td>
</tr>
<tr>
<td>1926-27</td>
<td>906</td>
<td>18.6 10.9</td>
<td>Rs. 12-8 per lb. for Medical Store-Keeper.</td>
</tr>
<tr>
<td>1927-28</td>
<td>1,772</td>
<td>14.10.3</td>
<td>Rs. 15-3 per lb. for Indian States and Railways.</td>
</tr>
<tr>
<td>1928-29</td>
<td>919</td>
<td>20.5 7</td>
<td>Up to 31st March, 1929 rates as above and Rs. 15 per lb. to Medical Store-Keeper, Indian States and Railways and also to private firms with effect from 1st April, 1929.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Output</th>
<th>Production rates</th>
<th>Sanctioned selling prices</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Rs. A. P.</td>
<td>Cake</td>
</tr>
<tr>
<td>1925-26</td>
<td>418</td>
<td>15.2 7.1</td>
<td>Rs. 10 per lb. for private firms.</td>
</tr>
<tr>
<td>1926-27</td>
<td>706</td>
<td>11.13.10</td>
<td>Rs. 11-8 per lb. for Medical Store-Keeper.</td>
</tr>
<tr>
<td>1927-28</td>
<td>802</td>
<td>11.0 9</td>
<td>Rs. 13-12 per lb. for Indian States and Railways.</td>
</tr>
<tr>
<td>1928-29</td>
<td>942</td>
<td>12.2 0</td>
<td>Up to 31st March, 1929 rates as above and Rs. 11 per lb. to Medical Store-Keeper, Indian States and Railways and also to private firms with effect from 1st April, 1929.</td>
</tr>
</tbody>
</table>

There was a loss of Rs. 584.3 on sales of Indian Medical Opium powder and a profit of Rs. 795.4 on sales of Indian Medical Opium Cake. The loss was due to the increase in the production rate per pound. The increase in production cost per lb. for Indian Medical Opium powder is due to the smaller quantity manufactured during the year with more or less the same departmental charges; in the case of Indian Medical Opium Cake, the rate should have fallen seeing that a larger quantity was manufactured, but according to the accounts it has risen. Investigation of this point after the accounts had been prepared shows that the result is due to a wrong classification of expenditure in the Factory.

165. Alkaloids.—There was a loss of Rs. 2,146.9-0 on sale of alkaloids as against a profit of Rs. 28,874-10-0 during the previous year; the reason is that there was practically no manufacture during the year, while moreover items of a capital nature having been charged off finally to revenue under the existing procedure. The opening and closing balances were valued at 50 per cent. of the sanctioned selling prices in accordance with the orders of the Government of India on the subject.

166. Raw Benares Opium.—The production rate of Raw Benares opium for the year under review amounts to Rs. 500-12-7 as against Rs. 510-2-10 of the previous year. 7,121 maunds at 70° consistency were purchased during the year under review as against 6,981 maunds during the previous year. The reduction in the cost rate per maunds is due to a decrease in Railway freight owing to the smaller quantity of raw opium which was despatched from distant districts and to the adjustment this year of credits of some Rs. 900 on account of Railway freight which related to the previous year. The
closing stock of this class of opium on September 30, 1929 amounted to 14,711 maunds as against 16,382 maunds on September 30, 1928.

167. Raw Opium, Malwa.—The production rate of Raw Malwa opium per unit (one maund of class A at a consistency of 70°) works out to Rs. 462-13-3 as against Rs. 437-4-1 during the previous year. 1,196 maunds were purchased during the year as against 3,422 maunds in the preceding year. The increase in the yearly production rate is due to an increase in freight charges and to the higher incidence of the cost of the Joint Opium Officer, Malwa States, owing to the smaller outturn. The closing balance of raw opium Malwa at the end of the year amounted to 5,555 maunds as against the opening balance of 12,196 maunds on 1st October 1928.

168. Inferior Opium.—The cost rate per maund for the year amounted to Rs. 165-0-4 as against Rs. 237-3-11 for the preceding year. The decrease in the rate per maund was due to a large quantity of opium of 1/5th value of the yearly rate having been received. The closing balance on September 30, 1929 amounted to 189 maunds as against 1,291 maunds at the beginning of the year.

169. Leaf.—The total quantity of leaf received during the year amounted to 2,431 maunds compared with 1,376 maunds in the preceding year; the cost rate per maund was Rs. 23-14-4 as against Rs. 28-13-6 in the previous year. The reduction in the cost rate was due to the increase in the quantity purchased.

170. Trash.—The total quantity of trash, (expressed in terms of cleaned trash in accordance with standing orders) which was received during the year, amounted to 2,412 maunds, or 21 maunds less than in the previous year, and the cost per maund was Rs. 4-7-4 as against Rs. 5-0-5 in the previous year. The reduction in the rate was due to a decrease in freight, transit and weighment charges.

171. Chest.—The undermentioned table shows the number of chests purchased or assembled and the cost rate per chest, for the year under review and also for the previous year:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quantity</th>
<th>Rate per chest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1927-28</td>
<td>1928-29</td>
</tr>
<tr>
<td></td>
<td>Number</td>
<td>Number</td>
</tr>
<tr>
<td>1. Chests and Lids Provision Opium Mango</td>
<td>2,563</td>
<td>831</td>
</tr>
<tr>
<td>2. Chests and Lids Provision Opium 5 Ply</td>
<td>2,550</td>
<td>530</td>
</tr>
<tr>
<td>3. Akbari Opium Mango</td>
<td>3,388</td>
<td>2,024</td>
</tr>
<tr>
<td>4. Chests and Lids Akbari 3 Ply</td>
<td>3,808</td>
<td>515</td>
</tr>
<tr>
<td>5. Chests and Lids Special Medical Opium</td>
<td>228</td>
<td>488</td>
</tr>
</tbody>
</table>

The cost rate of items 1-4 rose because a smaller number was purchased and that of item 5 fell for the opposite reason.

172. Lecce.—The total quantity of lecce manufactured during the year amounted to 1,204 maunds as against 991 maunds in the preceding year, the cost rate per maund being Rs. 184-10-1 as against Rs. 188-6-10 in the previous year. The slight reduction in the cost rate was due to the reduction in the issue rate of inferior opium used in the manufacture.
173. Cups.—3,00,000 cups were purchased during the year, or 1,00,000 more than in the previous year. The cost rate per cup fell from 4-7 pies in 1922-23 to 3-10 pies in 1928-29 owing to the larger number purchased.

174. General Charges.—The general charges of the year amounted to Rs. 3,11,113 as against Rs. 3,32,396 in the previous year. The item of establishment plays an important part in these charges. The fluctuations are due to the inclusion of leave charges for the Opium Agent in 1927-28 and to the grant of the Lee Concessions to two officers with retrospective effect. The decrease in the charges for Store-keeping reflects measures of economy and in the electric charges the substitution of worn-out and expensive plant by a modern installation.

175. Interest charges.—The total interest charges during the year amounted to Rs. 17,90,664 as against Rs. 23,10,130 included in the accounts of the last year. The decrease is due mainly to the reduction in the value of opium stocks, etc., kept in the Factory.

176. Opium Stocks.—The undermentioned table shows the shortage of opium (raw and manufactured stock) as disclosed during stock-taking.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quantity written</th>
<th>Rate per</th>
<th>Total value of</th>
<th>No. and date of order sanctioning</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>off.</td>
<td>Unit.</td>
<td>write off.</td>
<td>write off.</td>
</tr>
<tr>
<td>Raw Benares Opium at 70°</td>
<td>128 maunds</td>
<td>510</td>
<td>2-10</td>
<td>Rs. 65,302</td>
</tr>
<tr>
<td>Inferior Opium at 70°</td>
<td>1 maund</td>
<td>237</td>
<td>3-11</td>
<td>237</td>
</tr>
<tr>
<td>Crude Malwa Opium at 70°—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Class A</td>
<td>82 maunds</td>
<td>437</td>
<td>4-1</td>
<td>30,079</td>
</tr>
<tr>
<td>B</td>
<td>25 maunds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>3 maunds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mda. mkn. ch. = 89 15-0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in terms of class A at 70°</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian Medical Opium (Unmanufactured)</td>
<td>57-60°</td>
<td>147 lbs.</td>
<td>8-10</td>
<td>6</td>
</tr>
<tr>
<td>Excise Opium Unmanufactured: (Abkari B. M. Blend) at 90°</td>
<td>5 maunds</td>
<td>20</td>
<td>3-11</td>
<td>4,048</td>
</tr>
</tbody>
</table>

The value of these shortages was estimated at the average issue rates worked out for the preceding year. These losses are due generally to the very great viscosity of opium which adheres to all the receptacles in which it is contained. A loss of Rs. 8,635 occurred on account of rejections of leaf choor, the book value of which amounted to Rs. 9,071 while the sales fetched only Rs. 436. Leaf is liable to destruction by grubs and some loss is an inevitable consequence of storing this commodity and storage is essential in view of the reduction in the number of the divisions producing the article.
177. Sundry Stores.—During the year under review surplus and unserviceable articles to the value of Rs. 3,793-15-0 were written off. There was a balance of unserviceable stores brought forward from the previous year valued at Rs. 3,018-13-5. In addition to the above, unserviceable stores to the value of Rs. 6,502 were received from District Opium Officers for disposal. The aggregate value of surplus and unserviceable stores thus amounted to Rs. 13,314-12-5. Stores with a book value of Rs. 12,948-14-5 were sold during the year, and realised only Rs. 2,720-14-0, resulting in a loss of Rs. 10,228-0-5 which requires no explanation. This loss has been written off with the sanction of the competent authority.

SECTION II.—REMARKS OF THE DIRECTOR OF COMMERCIAL AUDIT.

178. Paragraph 162 of the Financial Review.—The profit of Rs. 3,02,300 under Blended Excise Opium as against Rs. 4,94,074 of the previous year is due to the fact that the difference between the selling rates and the production costs was greater in the previous year than in the year under review.

179. Paragraph 163 of the Financial Review.—The profit under Special Medical Opium for the year under review amounted to Rs. 3,76,223 as against Rs. 4,44,127 of the previous year. The decrease is due to a smaller number of chests being sold and to the fact that the difference between the production costs and the selling rates was greater in the previous year than in the year under review.

180. Paragraph 164 of the Financial Review.—It was pointed out by audit that the production rates for Indian Medical Opium, powder and cake, are in excess of the present sanctioned selling rates, the excess in the case of powder being as high as 33 per cent. The Government of India have however decided to await results for another year before taking further action.
OPium Department.


<table>
<thead>
<tr>
<th>Liabilities</th>
<th>As at 30-9-1929.</th>
<th>As at 30-9-1928.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sundry Creditors for Railway freight</td>
<td>26,504</td>
<td>12,505</td>
</tr>
<tr>
<td>Contractors for Chutes</td>
<td>5,335</td>
<td>9,655</td>
</tr>
<tr>
<td>Refund to Auction purchasers</td>
<td>20,482</td>
<td>44,644</td>
</tr>
<tr>
<td><strong>Govt. of India Capital Account</strong></td>
<td>2,61,36,610</td>
<td>1,00,15,249</td>
</tr>
<tr>
<td>Adjustments during the year for Interest, Profits, etc.</td>
<td>1,73,49,744</td>
<td>2,23,11,357</td>
</tr>
<tr>
<td><strong>Cash withdrawals from Treasuries and adjustments</strong></td>
<td>4,34,88,604</td>
<td>3,23,29,010</td>
</tr>
<tr>
<td>Deduct: Cash remittances into Treasuries and adjustments</td>
<td>4,544</td>
<td>4,544</td>
</tr>
<tr>
<td><strong>Indirect charges for the year</strong></td>
<td>1,00,15,249</td>
<td>40,06,100</td>
</tr>
<tr>
<td>Interest</td>
<td>22,379</td>
<td>17,90,684</td>
</tr>
<tr>
<td>Cost of Audit and Accounts</td>
<td>99,684</td>
<td>91,337</td>
</tr>
<tr>
<td>Pensionary contribution</td>
<td>1,29,705</td>
<td>1,50,45,407</td>
</tr>
<tr>
<td><strong>Profits for the year</strong></td>
<td>1,24,56,410</td>
<td>1,28,79,248</td>
</tr>
</tbody>
</table>

**Total Rs.** 2,24,76,892 3,22,73,014

<table>
<thead>
<tr>
<th>Assets</th>
<th>As at 30-9-1929.</th>
<th>As at 30-9-1928.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lands</td>
<td>88,194</td>
<td>35,103</td>
</tr>
<tr>
<td>Less dispositions during the year</td>
<td>13,001</td>
<td>48,971</td>
</tr>
<tr>
<td>Buildings (original value)</td>
<td>10,14,311</td>
<td>445,028</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>26,630</td>
<td>32,630</td>
</tr>
<tr>
<td>Deduct: Disposals during the year</td>
<td>1,40,375</td>
<td>62,339</td>
</tr>
<tr>
<td>Deduct: Depreciation written off</td>
<td>14,03,084</td>
<td>99,667</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>62,701</td>
<td>67,305</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>1,06,727</td>
<td>21,140</td>
</tr>
<tr>
<td><strong>Furniture and Fittings</strong></td>
<td>1,50,000</td>
<td>1,00,000</td>
</tr>
<tr>
<td><strong>Total Rs.</strong> 3,33,73,014**</td>
<td>3,22,73,014</td>
<td>2,24,76,892</td>
</tr>
</tbody>
</table>

(Sd.) V. G. HARDIE,
Superintendent,
Costing Section, Opium Agent's Office, Ghazipur.

(Sd.) W. GASKELL,
Opium Agent.

(Sd.) C. BHASKARAIYA,
Asstt. Director of Commercial Audit,
Calcutta Circle.
OPium Department.

183. Profit and Loss Account for the Costing year ended 30th September 1929.

<table>
<thead>
<tr>
<th></th>
<th>30-9-1929</th>
<th>30-9-1928</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td><strong>To Opening Balance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision Opium</td>
<td>1,23,78,902</td>
<td>1,71,41,317</td>
</tr>
<tr>
<td>Excise Opium, Benares</td>
<td>1,21,862</td>
<td>4,70,578*</td>
</tr>
<tr>
<td>&quot;</td>
<td>1,51,375</td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>63,166</td>
<td>11,81,402*</td>
</tr>
<tr>
<td>&quot;</td>
<td>17,944</td>
<td>71,819</td>
</tr>
<tr>
<td>Special Medical Opium, British</td>
<td>92,916</td>
<td>1,49,639</td>
</tr>
<tr>
<td>&quot;</td>
<td>1,93,913</td>
<td>3,32,637</td>
</tr>
<tr>
<td>Indian Medical Opium, Powder</td>
<td>1,012</td>
<td>1,092</td>
</tr>
<tr>
<td>&quot;</td>
<td>9,994</td>
<td>5,699</td>
</tr>
<tr>
<td>Alkaloids</td>
<td>2,994</td>
<td>1,413</td>
</tr>
<tr>
<td>&quot;</td>
<td>38,917</td>
<td>48,754</td>
</tr>
<tr>
<td><strong>Manufacturing Charges</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision Opium</td>
<td>32,38,532</td>
<td>37,86,929</td>
</tr>
<tr>
<td>Excise Opium, Benares</td>
<td>4,46,303</td>
<td>81,492</td>
</tr>
<tr>
<td>&quot;</td>
<td>57,55,549</td>
<td>44,70,506</td>
</tr>
<tr>
<td>Special Medical Opium, British</td>
<td>7,72,884</td>
<td>7,46,145</td>
</tr>
<tr>
<td>&quot;</td>
<td>17,120</td>
<td>24,586</td>
</tr>
<tr>
<td>Alkaloids</td>
<td>7,724</td>
<td>51,869</td>
</tr>
<tr>
<td>&quot;</td>
<td>2,88,277</td>
<td>3,08,119</td>
</tr>
<tr>
<td>Cost of audit and accounts</td>
<td>22,836</td>
<td>24,373</td>
</tr>
<tr>
<td>Interest</td>
<td>17,90,664</td>
<td>22,10,130</td>
</tr>
<tr>
<td>Loss on sale of Buildings</td>
<td>4,539</td>
<td>33,197</td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>1,59,45,407</td>
<td>1,98,79,248</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>30-9-1929</th>
<th>30-9-1928</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td><strong>By Sales</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision Opium</td>
<td>2,39,37,200</td>
<td>2,90,72,300</td>
</tr>
<tr>
<td>Excise Opium, Benares</td>
<td>6,06,000</td>
<td>2,50,340</td>
</tr>
<tr>
<td>&quot;</td>
<td>67,23,750</td>
<td>70,54,311</td>
</tr>
<tr>
<td>Special Medical Opium, Powder</td>
<td>12,02,323</td>
<td>14,40,003</td>
</tr>
<tr>
<td>&quot;</td>
<td>20,008</td>
<td>25,516</td>
</tr>
<tr>
<td>Alkaloids</td>
<td>11,532</td>
<td>10,776</td>
</tr>
<tr>
<td>Issues to other departments in Factory</td>
<td>17,314</td>
<td>97,403</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,41,37,377</td>
<td>3,11,35,463</td>
</tr>
</tbody>
</table>

* Finished stock.
## OPIUM DEPARTMENT.

183. Statement showing the Output and Production costs of Important Products for three years.

<table>
<thead>
<tr>
<th>Product</th>
<th>1928-29</th>
<th>1927-28</th>
<th>1-11-26 to 30-9-27—11 mths.</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision Opium Cakes</td>
<td></td>
<td></td>
<td></td>
<td>(a) Excludes packing charges.</td>
</tr>
<tr>
<td>Ditto Chests</td>
<td>1,224,000 Rs. 13.0</td>
<td>1,400,000 Rs. 13.0</td>
<td>2,000,000 Rs. 13.0</td>
<td>Average selling prices per chest provision opium were—</td>
</tr>
<tr>
<td>Pure Bensares Exceed Opium</td>
<td>2,226 Maunds</td>
<td>4,750 (b) Maunds</td>
<td>7,600 Maunds</td>
<td>1926-27 Rs. 4,000.0.0.0</td>
</tr>
<tr>
<td>Blended Exceed Opium</td>
<td>2,226 Maunds</td>
<td>4,750 (b) Maunds</td>
<td>7,600 Maunds</td>
<td>1927-28 Rs. 4,000.0.0.0</td>
</tr>
<tr>
<td>Special Medical Opium, British</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>1928-29 Rs. 4,000.0.0.0</td>
</tr>
<tr>
<td>Indian Medical Opium, Powder</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>*Sales made to local Governments at cost price,</td>
</tr>
<tr>
<td>Ditto Cake</td>
<td>918 Maunds</td>
<td>1,772 Maunds</td>
<td>906 Maunds</td>
<td>(b) Average selling prices obtained were—</td>
</tr>
<tr>
<td>Ras Opium, Bensares</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>1929 Rs. 4,000.0.0.0.0</td>
</tr>
<tr>
<td>Ditto Malwa</td>
<td>1,196 Maunds</td>
<td>3,422 Maunds</td>
<td>7,658 Maunds</td>
<td>With effect from 1st April</td>
</tr>
<tr>
<td>Leaf</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>1929 Rs. 4,000.0.0.0.0</td>
</tr>
<tr>
<td>Trash</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>1929 Rs. 4,000.0.0.0.0</td>
</tr>
<tr>
<td>Chests— Provision Mango</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>1929 Rs. 4,000.0.0.0.0</td>
</tr>
<tr>
<td>Chests—5 ply Provision Opium</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>Average cost of production over a term of years.</td>
</tr>
<tr>
<td>Ditto (un-assembled)</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td>př 87.50 Rs. 87.5</td>
<td></td>
</tr>
<tr>
<td>Akhari Mango Chests</td>
<td>2,024 Rs. 12.0</td>
<td>3,388 Rs. 12.0</td>
<td>983 Rs. 12.0</td>
<td></td>
</tr>
<tr>
<td>3 ply Akhari Opium (un-assembled)</td>
<td>2,024 Rs. 12.0</td>
<td>3,388 Rs. 12.0</td>
<td>983 Rs. 12.0</td>
<td></td>
</tr>
<tr>
<td>Ditto (assembled)</td>
<td>515 Rs. 12.0</td>
<td>2,808 Rs. 12.0</td>
<td>2,801 Rs. 12.0</td>
<td></td>
</tr>
<tr>
<td>Chests Medical Opium</td>
<td>226 Rs. 12.0</td>
<td>6,888 Rs. 12.0</td>
<td>17,550 Rs. 12.0</td>
<td></td>
</tr>
<tr>
<td>Compartment—</td>
<td>3,000,000 Rs. 12.0</td>
<td>2,800,000 Rs. 12.0</td>
<td>14,000 Rs. 12.0</td>
<td></td>
</tr>
</tbody>
</table>
OPium Department.

184. Stores account for the Opium year 1928-29.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Raw Opium</th>
<th>Provision Opium</th>
<th>Pure Benares</th>
<th>Benares-Malwa</th>
<th>Alkaloids</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td>Value</td>
<td>Quantity</td>
<td>Value</td>
<td>Quantity</td>
</tr>
<tr>
<td>Opening Balance</td>
<td>28,578</td>
<td>1,64,50,683</td>
<td>8,5624</td>
<td>1,23,78,901</td>
<td>237</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
</tr>
<tr>
<td>Receipts from all sources</td>
<td>8,333</td>
<td>41,79,084</td>
<td>3,685</td>
<td>44,38,171</td>
<td>589</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
</tr>
<tr>
<td>Total</td>
<td>36,911</td>
<td>2,06,21,167</td>
<td>11,6374</td>
<td>1,68,17,073</td>
<td>387</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
</tr>
<tr>
<td>Issues of all kinds</td>
<td>10,390</td>
<td>92,02,486</td>
<td>5,985</td>
<td>2,30,37,200</td>
<td>632</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
</tr>
<tr>
<td>Wastages written-off</td>
<td>255</td>
<td>1,47,166</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
<td></td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>A.</td>
<td>A.</td>
<td></td>
<td></td>
<td>A.</td>
</tr>
<tr>
<td>Total</td>
<td>16,645</td>
<td>94,44,052</td>
<td>5,985</td>
<td>2,30,37,200</td>
<td>632</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>20,206</td>
<td>1,11,70,615</td>
<td>5,632</td>
<td>81,51,406</td>
<td>295</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
<td>A.</td>
</tr>
</tbody>
</table>

APPENDIX TO THE APPROPRIATION ACCOUNT OF THE
**OPium Department.**

184. Stores account for the Opium year 1928-29—contd.

**Medical Opium for India.**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Medical Opium, U.K.</th>
<th>Cake</th>
<th>Powder</th>
<th>Miscellaneous</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td>Value</td>
<td>Quantity</td>
<td>Value</td>
<td>Quantity</td>
</tr>
<tr>
<td></td>
<td>lbs.</td>
<td>Rs.</td>
<td>a.</td>
<td>lbs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Opening Balance</td>
<td>29,030</td>
<td>2,65,528</td>
<td>10</td>
<td>271</td>
<td>2,993</td>
</tr>
<tr>
<td>Receipts from all sources</td>
<td>1,01,052</td>
<td>8,41,149</td>
<td>1</td>
<td>988</td>
<td>11,447</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,30,082</td>
<td>11,26,677</td>
<td>11</td>
<td>1,259</td>
<td>14,441</td>
</tr>
<tr>
<td>Issues of all kinds</td>
<td>96,796</td>
<td>12,20,400</td>
<td>11</td>
<td>955</td>
<td>11,550</td>
</tr>
<tr>
<td>Wastages written-off</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>96,796</td>
<td>12,20,400</td>
<td>11</td>
<td>955</td>
<td>11,550</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>33,280</td>
<td>2,82,500</td>
<td>4</td>
<td>304</td>
<td>3,586</td>
</tr>
</tbody>
</table>

(a) Includes following classes of stores:
- Inferior opium, Contraband opium, Dhoi, Lowe, Leaf, Trash, Cups, Chests and compartments.
OPium Department.

Section I.—Financial Review by the Opium Agent on the Cost Accounts for the Year Ended 30th September 1930.

185. The following summarised accounts are affixed:

(a) The Balance Sheets showing the balances as at 30th September 1929 and at 30th September 1930;

(b) Consolidated Profit and Loss Account showing the comparative figures of two costing years, viz. those ended 30th September 1929 and 30th September 1930;

(c) Statement showing the output and production costs of important products for 2 years;

(d) Stores account for the Opium Year 1929-30.

186. It will be seen from the Balance Sheets that the capital invested by the Government of India as at 30th September 1930 amounts to Rs. 1,67,49,116 including the sum of Rs. 12,81,687 on account of interest charges, cost of audit and accounting and pensionary liabilities for the year under review; also Rs. 1,37,30,673 on account of the net profit for the year.

The fixed assets amount to Rs. 15,35,409 as against Rs. 16,01,182 in the previous year, the decrease representing reduction under buildings and land.

Buildings.—Owing to the gradual contraction of the activities of the Department, no new works were undertaken except the construction of a well costing Rs. 1,390. The building work during the year was confined to repairs and improvements to existing buildings, which were done departmentally.

Seven of the buildings abandoned owing to the abolition of divisions were transferred and sold at a total value of Rs. 23,934. There now remain 10 buildings which are no longer required by this Department and every effort is being made to find purchasers for them.

It will be seen that the book value of the Plant and Machinery was nearly doubled during the year 1928-29 by the addition of machinery costing Rs. 66,630. The additions consisted of:

<table>
<thead>
<tr>
<th>Item of Machinery</th>
<th>Cost.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Lancashire Boiler</td>
<td>Rs. 9,429</td>
</tr>
<tr>
<td>2. Boiler and Chimney</td>
<td>Rs. 38,783</td>
</tr>
<tr>
<td>3. New Storage Battery</td>
<td>Rs. 11,931</td>
</tr>
<tr>
<td>4. Experimental Excise tablet making machinery</td>
<td>Rs. 7,068</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Whitton Continuous Boiler</td>
<td>Rs. 298</td>
</tr>
<tr>
<td>2. Vacuum Dryer and Mixer</td>
<td>Rs. 17,454</td>
</tr>
<tr>
<td>3. Kestner Apparatus parts</td>
<td>Rs. 1,878</td>
</tr>
</tbody>
</table>

The additions this year consist of the following items, valuing Rs. 19,630:
Floating assets amount to Rs. 1,47,46,481 as against Rs. 2,03,01,526, the decrease being principally under Provision Opium and raw Benares and Malwa Opium, as will be seen from the table in para. 188 below.

187. Financial results.—The net profit amounts to Rs. 1,37,20,573 as against Rs. 1,59,45,407 for the previous year. The decrease in profit is mainly due to smaller sales of provision opium during the year—4,931 chests during the year as against 5,985 chests in the previous year—in accordance with the policy of the Government of India for the cessation of this trade at the end of 1933. The decrease in profit of Rs. 22.2 lakhs is made up roughly as under:

<table>
<thead>
<tr>
<th>Decrease in profit of:</th>
<th>Rs. lakhs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Provision Opium</td>
<td>28</td>
</tr>
<tr>
<td>(2) Special Medical Opium</td>
<td>1-5</td>
</tr>
<tr>
<td><strong>Total decrease</strong></td>
<td><strong>29-5</strong></td>
</tr>
</tbody>
</table>

Less increase in profit of:

<table>
<thead>
<tr>
<th>Rs. lakhs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Excise Opium Pure Benares</td>
</tr>
<tr>
<td>(2) Blended Excise Opium</td>
</tr>
<tr>
<td><strong>Net decrease in profit</strong></td>
</tr>
</tbody>
</table>

The following statement analyses the profit for each class of opium and compares it with the profit of the previous year:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Year ended September, 1929</th>
<th>Year ended September, 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit</td>
<td>Profit</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>1. Provision Opium</td>
<td>1,62,71,595</td>
<td>1,24,74,503</td>
</tr>
<tr>
<td>2. Excise Opium Pure Benares</td>
<td>1,393</td>
<td>60,267</td>
</tr>
<tr>
<td>3. Ditto Blended (old)</td>
<td>3,02,200</td>
<td>2,27,884</td>
</tr>
<tr>
<td>4. Ditto (new)</td>
<td></td>
<td>7,47,723</td>
</tr>
<tr>
<td>5. Special Medical Opium British</td>
<td>3,78,223</td>
<td>2,24,899</td>
</tr>
<tr>
<td>6. Indian Medical Opium Powder</td>
<td>-584</td>
<td>-372</td>
</tr>
<tr>
<td>7. Indian Cake</td>
<td>798</td>
<td>308</td>
</tr>
<tr>
<td>8. Alkaloids</td>
<td>-2,147</td>
<td>7,036</td>
</tr>
</tbody>
</table>
188. Stock Account.—The progressive reduction of opium stocks and sundry stores during the last three years will be apparent from the following table:

<table>
<thead>
<tr>
<th>Particulars of stocks</th>
<th>On 30th September, 1928</th>
<th>On 30th September, 1929</th>
<th>On 30th September, 1930</th>
<th>Reduction during 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw Opium—Benares</td>
<td>90,60,426</td>
<td>85,90,233</td>
<td>55,21,687</td>
<td>-33,68,746</td>
</tr>
<tr>
<td>...—Malwa</td>
<td>64,61,258</td>
<td>25,61,613</td>
<td>20,01,111</td>
<td>-5,25,072</td>
</tr>
<tr>
<td>Provision Opium</td>
<td>1,23,78,902</td>
<td>81,51,469</td>
<td>60,80,388</td>
<td>-20,71,083</td>
</tr>
<tr>
<td>Pure Benares Excise</td>
<td>2,73,237</td>
<td>2,01,455</td>
<td>2,21,028</td>
<td>+19,573</td>
</tr>
<tr>
<td>Blended Excise (Old)</td>
<td>81,107</td>
<td>1,12,104</td>
<td>3,67,946</td>
<td>+2,44,902</td>
</tr>
<tr>
<td>Do. (New)</td>
<td>...</td>
<td>...</td>
<td>2,56,518</td>
<td>+2,56,518</td>
</tr>
<tr>
<td>Special Medical Opium</td>
<td>2,55,929</td>
<td>2,82,500</td>
<td>1,23,949</td>
<td>-1,58,551</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>5,72,299</td>
<td>2,95,168</td>
<td>3,52,296</td>
<td>+57,128</td>
</tr>
<tr>
<td>Sundry Stores</td>
<td>1,06,677</td>
<td>82,314</td>
<td>72,460</td>
<td>-9,854</td>
</tr>
</tbody>
</table>

The shortages of opium as disclosed during stock-taking amounted roughly to 83 maunds of Raw Benares Opium including Passewa and 99 maunds of crude Malwa Opium, and their write off was sanctioned by the Opium Agent, as the percentage in each case was below the limit up to which power has been delegated to the Opium Agent, by the Government of India. The value of these shortages priced at the average issue rates amounted to about Rs. 96,175. These losses are due generally to the very great viscosity of opium which adheres to all the receptacles in which it is contained. A loss of Rs. 9,185 occurred on account of rejections of leaf choor, the book value of which amounted to Rs. 9,465 while the sales fetched only Rs. 270. Leaf is liable to destruction by maggots, and some loss is an inevitable consequence of storing this commodity.

Sundry Stores Accounts.—During the year under review, surplus and unserviceable stores to the value of Rs. 4,091 were written off. There was a balance of unserviceable stores brought forward from the previous year valued at Rs. 366. In addition to the above, unserviceable stores to the value of Rs. 9,419 were received from District Opium Officers for disposal. The aggregate value of the unserviceable stores thus amounted to Rs. 13,876. Out of this, stores valued at Rs. 13,510 in the books were sold during the year and realized Rs. 1,514 leaving a loss of Rs. 11,996. The write-off of this loss has been sanctioned by the Government of India.

189. Profit and Loss and Production Accounts.—The reduction in stocks referred to in paragraph 188 above has brought down the interest charges during the year under review to 11-69 lakhs as against 17-91 and 23-10 lakhs in the two previous years.

The general charges have increased to Rs. 3-23 as against 3-11 of the previous year. The increase is due mainly to the leave salaries of the Opium Agents.

The decrease in the cost rates of raw Benares and Malwa opium purchased during the year together with the decrease in interest charges have brought down the production costs of Provision opium, Pure Benares Excise Opium and Blended Excise Opium (new and old Blend).
During the year under review the proportion of Raw Benares Opium and Raw Malwa Opium issued for the manufacture of Blended Excise Opium was changed from 1/5 Benares and 4/5 Malwa to 2/5 Benares and 3/5 Malwa.

190. Manufacture of Excise Opium.—The quantities of Excise Opium manufactured and issued during the year were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Pure Benares</th>
<th>Blended Excise</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td></td>
<td>95</td>
<td>95</td>
</tr>
<tr>
<td>on 1st October</td>
<td></td>
<td>600</td>
<td>1,020</td>
</tr>
<tr>
<td>1929</td>
<td></td>
<td>1,428</td>
<td>6,013</td>
</tr>
<tr>
<td>Manufactured</td>
<td>450</td>
<td>6,013</td>
<td>7,461</td>
</tr>
<tr>
<td>during the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued during</td>
<td>150</td>
<td>257</td>
<td>407</td>
</tr>
<tr>
<td>the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance on 1st</td>
<td>150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>October 1930</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The cost price of Excise Opium as shown in the Cost Accounts for the year ended 30th September 1930 worked out to Rs. 21-14 per seer for supplies to Burma, Rs. 18-3 per seer for old Blended Excise Opium and Rs. 18-9 per seer for new Blended Excise opium supplied to other Governments and Administration as compared with Rs. 25-3 for Pure Benares Excise and Rs. 21-10 per seer for old Blended Excise for the previous year.

As the issue rates of Excise Opium to Provincial Governments for a financial year are to be calculated on the basis of the actual cost of production for the previous opium year (para. 110 of the Appendix to the Central Civil Appropriation Accounts for 1928-29), the fall in production costs has resulted in an increased profit under Excise Opium during the year under review.

Manufacture of Special Medical Opium.—The number of chests of Special Medical Opium despatched during the year to the High Commissioner for sale in the United Kingdom was 160 chests, or 25,600 lbs. in addition 90 chests previously despatched were awaiting sale on 1st October 1929. The sale accounts of these 250 chests show a realization of Rs. 6,70,912.

No sales were effected after February 1930 owing to there having been no demand for the drug.

The following table shows the output, production costs and selling prices of this class of opium for the last three years including the year under review:

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of chests produced</th>
<th>Production cost per chest</th>
<th>Average selling price per chest</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927-28</td>
<td>480</td>
<td>Rs. 1,682.11</td>
<td>Rs. 2,694</td>
</tr>
<tr>
<td>1928-29</td>
<td>480</td>
<td>Rs. 1,475.71</td>
<td>Rs. 2,381</td>
</tr>
<tr>
<td>1929-30</td>
<td>160</td>
<td>Rs. 1,700.88</td>
<td>Rs. 2,695</td>
</tr>
</tbody>
</table>
Cost of production.—The higher cost of production during the year under review is mainly due to less manufacture while the departmental overhead and interest charges remained almost stationary.

**Indian Medical Opium—Cake and Powder.**—The following statement compares the output and production rates of the year under review with those worked out for the preceding year, and the present sanctioned selling prices.

<table>
<thead>
<tr>
<th>Year</th>
<th>Output</th>
<th>Production rate per lb.</th>
<th>Sanctioned selling prices per lb.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>lbs.</td>
<td>Rs. a. p.</td>
<td>Powder</td>
</tr>
<tr>
<td>1927-28</td>
<td>1,772</td>
<td>14 10 3</td>
<td>Rs. 20 for private firms.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rs. 12-8 for Medical Storkepers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rs. 15-8 for Indian States and Railways.</td>
</tr>
<tr>
<td>1928-29</td>
<td>219</td>
<td>20 6 7</td>
<td>Up to 31st March 1929 rates as above and Rs. 15 to all since that date.</td>
</tr>
<tr>
<td>1929-30</td>
<td>1,146</td>
<td>14 6 8</td>
<td>Rs. 15.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Cake</strong></td>
</tr>
<tr>
<td>1927-28</td>
<td>802</td>
<td>11 0 9</td>
<td>Rs. 19 to private firms.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rs. 11-8 to Medical Storkepers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rs. 13-12 to Indian States and Railways.</td>
</tr>
<tr>
<td>1928-29</td>
<td>942</td>
<td>12 2 6</td>
<td>Up to 31st March 1929 rates as above and Rs. 11 to all since that date.</td>
</tr>
<tr>
<td>1929-30</td>
<td>862</td>
<td>9 11 5</td>
<td>Rs. 11.</td>
</tr>
</tbody>
</table>

191. Cost of production.—Reduction in costs of production in both the cases is mainly due to reduction in manufacturing charges. The production rate for the last year was also shown at a higher figure, due to erroneous classification of expenditure in the Factory.

The small loss under powder is due to opening stocks being brought forward from last year at a higher rate than the selling price.

**Alkaloids.**—There was a profit of Rs. 7,036 under this head during the year as against a loss of Rs. 2,147 for the previous year. The loss in the previous year was due to there being no manufacture during that year and also due to expenses of a capital nature being charged to revenue under the existing procedure as pointed out in the last review.

The value of crude morphia included in the closing balance has been taken at an estimated cost rate of Rs. 16-6-8 per lb.

**Inferior Opium.**—The increase in the cost rate during the year is due to more receipts of opium of better class.

**Leaf.**—The increase in the cost rate is due to the decrease in the quantity purchased during the year.

**Chests.**—The reduction in the cost rates of mango chests, provision and abkari is due to purchase on a larger scale.
192. The figures of losses of Opium due to shortages in opium stocks were as follows:

<table>
<thead>
<tr>
<th>Opium year</th>
<th>Raw Benares Opium</th>
<th>Crude Malwa Opium</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mds.</td>
<td>Mds.</td>
<td>Mds.</td>
</tr>
<tr>
<td>1925-26</td>
<td>501</td>
<td>155</td>
<td>716</td>
</tr>
<tr>
<td>1926-27</td>
<td></td>
<td></td>
<td>426</td>
</tr>
<tr>
<td>1927-28</td>
<td>101</td>
<td>130</td>
<td>231</td>
</tr>
<tr>
<td>1928-29</td>
<td>128</td>
<td>90</td>
<td>218</td>
</tr>
<tr>
<td>1929-30</td>
<td>83</td>
<td>99</td>
<td>182</td>
</tr>
</tbody>
</table>

Section II.—Remarks by the Director of Commercial Audit.

193. Reference is invited to para. 72 of the P. A. C. Proceedings in the 1928-29 Report and to para. 17(a) of this appendix. In addition to the reviews and accounts for the year ended 30th September 1930 the accounts and reviews for the year ended 30th September 1929 are prefixed.

194. Summary of results.—A comparative statement of Profits or Losses (by Products, etc.), for four years is given below:
<table>
<thead>
<tr>
<th></th>
<th>Manufacture</th>
<th>Sales</th>
<th>Profit or Loss (Rs.)</th>
<th>Percentage of Profit or Loss on sales</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1929-30</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision Opium</td>
<td>50,63,688</td>
<td>1,97,24,000</td>
<td>1,34,72,502</td>
<td>63</td>
</tr>
<tr>
<td>Excise Opium Blended—Old</td>
<td>11,80,689</td>
<td>12,81,086</td>
<td>2,27,684</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New</td>
<td>44,09,029</td>
<td>52,17,351</td>
<td>7,47,722</td>
<td>14</td>
</tr>
<tr>
<td>Pure Benares Excise</td>
<td>5,34,985</td>
<td>4,54,002</td>
<td>84,967</td>
<td>13</td>
</tr>
<tr>
<td>Special Medical Opium—British</td>
<td>2,81,684</td>
<td>6,78,715</td>
<td>3,96,869</td>
<td>33</td>
</tr>
<tr>
<td>Indian Medical Opium—Cake</td>
<td>8,375</td>
<td>7,541</td>
<td>835</td>
<td>4</td>
</tr>
<tr>
<td>Powder</td>
<td>16,621</td>
<td>21,797</td>
<td>-572</td>
<td>-2</td>
</tr>
<tr>
<td>Alkaloids</td>
<td></td>
<td>17,725</td>
<td>7,036</td>
<td>89</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,73,97,217</td>
<td>1,37,40,018</td>
<td>50.1</td>
</tr>
<tr>
<td>Rack Materials of Cake</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Misc. Profit less Misc. Loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
<td>-19,443</td>
<td></td>
</tr>
<tr>
<td><strong>Total Sales—Net Profit and percentage of Net Profit on total turnover</strong></td>
<td></td>
<td></td>
<td>2,73,97,217</td>
<td>1,37,20,573</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Manufacture</th>
<th>Sales</th>
<th>Profit or Loss (Rs.)</th>
<th>Percentage of Profit or Loss on sales</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1928-29</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>42,95,777</td>
<td>2,30,37,500</td>
<td>1,52,71,586</td>
<td>64</td>
</tr>
<tr>
<td></td>
<td>64,85,664</td>
<td>67,23,730</td>
<td>3,02,300</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>4,33,033</td>
<td>6,06,000</td>
<td>1,502</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td>7,08,223</td>
<td>12,02,323</td>
<td>3,76,223</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>7,08,223</td>
<td>12,02,323</td>
<td>3,76,223</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>3,25,18,698</td>
<td>1,59,45,407</td>
<td>49.03</td>
<td></td>
</tr>
</tbody>
</table>

**APPENDIX TO THE APPROPRIATION ACCOUNTS OF**
<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Manufacture</td>
<td>Sales</td>
</tr>
<tr>
<td>Provision Opium</td>
<td>Rs. 52,20,834</td>
<td>Rs. 2,90,72,000</td>
</tr>
<tr>
<td>Excise Opium Blended—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Old</td>
<td>Rs. 65,06,361</td>
<td>Rs. 73,54,312</td>
</tr>
<tr>
<td>New</td>
<td>Rs. 3,87,537</td>
<td>Rs. 2,36,340</td>
</tr>
<tr>
<td>Pure Benares Excise</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Medical Opium—</td>
<td>Rs. 8,07,804</td>
<td>Rs. 14,49,603</td>
</tr>
<tr>
<td>British</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian Medical Opium—</td>
<td>Rs. 9,854</td>
<td>Rs. 10,776</td>
</tr>
<tr>
<td>Cake</td>
<td>Rs. 25,955</td>
<td>Rs. 25,518</td>
</tr>
<tr>
<td>Powder</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alkaloids</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs. 15,509</td>
<td>Rs. 28,875</td>
</tr>
<tr>
<td></td>
<td>Rs. 3,83,64,056</td>
<td>Rs. 1,99,14,331</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rack Materials of Cake</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs. 3,83,64,056</td>
<td>Rs. 1,98,79,249</td>
</tr>
</tbody>
</table>

(a) Rs. 7,83,726 (Profit) adjusted in reduction of the value of the closing balance of unfinished stuff.
(b) Rs. 69,186 (Profit) adjusted in reduction of the value of the closing balance of unfinished stuff.
195. The main feature of the accounts of the years under review is the further reduction of opium stocks and other stores which was brought to the special notice of the Public Accounts Committee by the Auditor General in connection with Paragraphs 118 and 124 of the previous Appendix.

<table>
<thead>
<tr>
<th>In lakhs of Rs.</th>
<th>31st Octo-ber 1926</th>
<th>30th Sep-tember 1927</th>
<th>30th Sep-tember 1928</th>
<th>30th Sep-tember 1929</th>
<th>30th Sep-tember 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. Opium Stock, etc.</td>
<td>469-13</td>
<td>390-92</td>
<td>300-42</td>
<td>292-19</td>
<td>146-74</td>
</tr>
<tr>
<td>Rs. Sundry Stores</td>
<td>2-14</td>
<td>1-36</td>
<td>1-06</td>
<td>0-82</td>
<td>0-72</td>
</tr>
</tbody>
</table>

In consequence of this, there has been a steady decline in the figure of the Capital invested by Government in the concern:

<table>
<thead>
<tr>
<th>In lakhs of Rs.</th>
<th>31st October 1926</th>
<th>30th September 1927</th>
<th>30th September 1928</th>
<th>30th September 1929</th>
<th>30th September 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. Interest charges (In lakhs of Rs.)</td>
<td>485-82</td>
<td>456-04</td>
<td>323-28</td>
<td>224-56</td>
<td>167-49</td>
</tr>
</tbody>
</table>

(The figures include also, amounts due to Government on account of charges for interest, cost of audit and accounts, pensionary liabilities, etc. and the net profit realised during the year.)

196. The interest charges have, as a result of this, also come down.

197. This in turn has helped to bring down the costs of production.

<table>
<thead>
<tr>
<th>Per Chest</th>
<th>1,491</th>
<th>1,392</th>
<th>1,240</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per seer</td>
<td>20</td>
<td>24</td>
<td>16</td>
</tr>
<tr>
<td>Per seer</td>
<td>25</td>
<td>25</td>
<td>21</td>
</tr>
<tr>
<td>Per seer</td>
<td>22</td>
<td>21</td>
<td>18</td>
</tr>
</tbody>
</table>

(*The "New Blend" of Excise Opium is referred to in Paragraph 189 of the Opium Agent's Review for the year 1929-30.)

198. As pointed out in Paragraph 119 of the previous Appendix, "the issue rate to be charged to Local Governments for Excise Opium during a financial year" is to be calculated on the basis of the actual cost of production for the previous opium year ending 30th September.

The rates charged to Provincial Governments for the financial year 1931-32 will thus be lower by over Rs. 3 a seer.
The production rates of Benares and Malwa Raw Opium for the last three years are shown below:

<table>
<thead>
<tr>
<th>Raw Opium per Maud @ 70 deg.</th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benares</td>
<td>510 2 10</td>
<td>506 12 7</td>
<td>495 10 11</td>
</tr>
<tr>
<td>Malwa (converted to Class A)</td>
<td>437 4 1</td>
<td>462 13 3</td>
<td>447 3 1</td>
</tr>
</tbody>
</table>

The variations between the first two sets of figures are explained in Paragraphs 166 and 177 of the Opium Agent's Review for the year 1928-29.

The profits for the last 3 years in lakhs of Rs. are given below:

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>196 79</td>
<td>159 45</td>
<td>137 21</td>
</tr>
</tbody>
</table>

The steady decline notwithstanding the fall in interest charges referred to in paragraph 195 above, is due primarily to the fact that owing to the policy of Government referred to in Paragraph 122(b) of the previous Appendix there has been a gradual contraction of the activities of the department (Paragraph 186 of Opium Agent's Review for 1929-30).

The "General charges" however do not show the same decline, the figures for the three years in lakhs of Rs. being:

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2 08</td>
<td>2 88</td>
<td>3 00</td>
</tr>
</tbody>
</table>

This aspect of the matter has been brought to the notice of Government. The increase in 1929-30 is explained in Paragraph 189 of the Opium Agent's Review for that year.

With reference to the remark about the "higher incidence of the cost of the Joint Opium Officer, Malwa States," in paragraph 167 of the Opium Agent's Review for 1928-29, it may be mentioned that the cost of the Joint Opium Officer and his staff is recoverable from the Malwa States. For this, a flat rate of Rs. 0-3-0 per seer is charged on the Opium purchased from them. The Expenditure on this account during 1928-29 was Rs. 26,743 while the recoveries amounted to Rs. 4,253 only. In view of this difference it was suggested by audit for the consideration of Government if the rate of Rs. 0-3-0 per seer might not be revised. On this the Government of India observed that the "States" contribution towards the cost of the maintenance of the Joint Opium Offices and his Establishment was exceptionally low during 1928-29 due to small deliveries on account of the failure of the poppy crop and decided to postpone to a later date the question of increasing the rate of the States' contribution. It is being brought to the notice of the Government of India that during 1929-30, the total expenditure on this account was Rs. 31,474-9-0 while the recoveries amounted to Rs. 20,381-14-8.
### Balance Sheet as at 30th September, 1930

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>As at 30th September 1929</th>
<th>As at 30th September 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sundry creditors for—</td>
<td>18,104</td>
<td>9,306</td>
</tr>
<tr>
<td>Railway freight</td>
<td>2,378</td>
<td>8,480</td>
</tr>
<tr>
<td>Contractors</td>
<td>20,482</td>
<td>17,786</td>
</tr>
<tr>
<td>Government of India</td>
<td>1,00,15,248</td>
<td>46,06,105</td>
</tr>
<tr>
<td>Capital Account</td>
<td>1,78,50,304</td>
<td></td>
</tr>
<tr>
<td>Adjustments during the year for interest, profit, etc.</td>
<td>1,764</td>
<td></td>
</tr>
<tr>
<td>Deduct for corrections</td>
<td>3,23,26,605</td>
<td>224,56,406</td>
</tr>
<tr>
<td>Cash withdrawals from Treasuries and adjustments</td>
<td>48,72,339</td>
<td>67,16,331</td>
</tr>
<tr>
<td>Deduct cash remittances into Treasuries and adjustments</td>
<td>3,71,98,944</td>
<td>291,72,740</td>
</tr>
<tr>
<td>Deduct cash remittances into Treasuries and adjustments</td>
<td>3,25,92,839</td>
<td>2,74,25,884</td>
</tr>
<tr>
<td>Interest charges for the year</td>
<td>48,06,105</td>
<td>17,46,856</td>
</tr>
<tr>
<td>Interest</td>
<td>17,99,996</td>
<td>11,89,378</td>
</tr>
<tr>
<td>Cost of Audit and Accounts</td>
<td>22,33,396</td>
<td>22,38,992</td>
</tr>
<tr>
<td>Pensionary contribution</td>
<td>91,33,397</td>
<td>89,41,737</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>1,59,45,408</td>
<td>2,24,56,410</td>
</tr>
<tr>
<td>Total</td>
<td>2,24,76,892</td>
<td>1,67,66,902</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets</th>
<th>As at 30th September 1929</th>
<th>As at 30th September 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lands</td>
<td>53,103</td>
<td>48,971</td>
</tr>
<tr>
<td>Less disposals during the year</td>
<td>6,132</td>
<td>2,073</td>
</tr>
<tr>
<td>Buildings (original value)</td>
<td>15,02,728</td>
<td>14,73,000</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>32,630</td>
<td>1,419</td>
</tr>
<tr>
<td>Deduct disposals during the year</td>
<td>15,33,535</td>
<td>14,74,427</td>
</tr>
<tr>
<td>Deduct depreciations written off to date</td>
<td>1,27,524</td>
<td>1,54,726</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>67,305</td>
<td>1,33,605</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>66,630</td>
<td>19,030</td>
</tr>
<tr>
<td>Deduct disposals during the year</td>
<td>1,33,935</td>
<td>1,53,295</td>
</tr>
<tr>
<td>Deduct depreciation written off to date</td>
<td>270</td>
<td>14,387</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td>26,938</td>
<td>25,885</td>
</tr>
<tr>
<td>Stock on hand—Opium etc.</td>
<td>1,06,727</td>
<td>1,13,323</td>
</tr>
<tr>
<td>Sundry stores</td>
<td>1,00,000</td>
<td>1,00,000</td>
</tr>
<tr>
<td>Sundry Debtors</td>
<td>1,02,19,212</td>
<td>1,46,74,021</td>
</tr>
<tr>
<td>Advances outstanding</td>
<td>82,314</td>
<td>72,460</td>
</tr>
<tr>
<td>Advances for Labour</td>
<td>1,572</td>
<td>145</td>
</tr>
<tr>
<td>Permanent Advance</td>
<td>5,70,012</td>
<td>4,62,777</td>
</tr>
<tr>
<td>Total</td>
<td>2,24,76,892</td>
<td>1,67,66,902</td>
</tr>
</tbody>
</table>

(Sd.) C. BHASKARAIYA,  
Asstt. Director of Commercial Audit, Calcutta Circle.  
(Sd.) V. G. HARDIE,  
Supdt., Costing Section.  
(Sd.) G. B. F. MUIR,  
Opium Agent.
## OPIUM DEPARTMENT.

203. Profit and Loss Account of the Opium Department for the costing years ended 30th September 1929 and 1930.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. A.</td>
<td>Rs. A.</td>
</tr>
<tr>
<td>To Opening balance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision Opium</td>
<td>1,23,78,901 12</td>
<td>81,51,468 9</td>
</tr>
<tr>
<td>Excise Opium Benares (in progress)</td>
<td>1,21,861 14</td>
<td>2,01,455 0</td>
</tr>
<tr>
<td>&quot; Blended (Old) (in progress)</td>
<td>1,51,375 0</td>
<td></td>
</tr>
<tr>
<td>(finished stock)</td>
<td>63,165 11</td>
<td>29,292 3</td>
</tr>
<tr>
<td>Special Medical Opium (in progress)</td>
<td>17,841 11</td>
<td>82,175 0</td>
</tr>
<tr>
<td>(finished stock)</td>
<td>92,015 15</td>
<td>1,49,708 8</td>
</tr>
<tr>
<td>Indian Medical Opium Powder (in progress)</td>
<td>1,98,512 11</td>
<td>1,32,791 12</td>
</tr>
<tr>
<td>Indian Medical Opium Powder (finished stock)</td>
<td>1,011 12</td>
<td>239 10</td>
</tr>
<tr>
<td>Indian Medical Opium Cake (finished stock)</td>
<td>9,004 0</td>
<td>6,511 11</td>
</tr>
<tr>
<td>Alkaloids</td>
<td>2,993 11</td>
<td>3,686 0</td>
</tr>
<tr>
<td>Alkaloids—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing charges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision Opium</td>
<td>32,38,532 6</td>
<td>43,09,655 9</td>
</tr>
<tr>
<td>Excise Opium, Benares</td>
<td>4,49,353 4</td>
<td>3,71,709 14</td>
</tr>
<tr>
<td>* &quot; Blended (Old) (in New)</td>
<td>57,18,549 3</td>
<td>11,80,114 1</td>
</tr>
<tr>
<td>Special Medical Opium</td>
<td>7,72,884 1</td>
<td>2,62,352 15</td>
</tr>
<tr>
<td>Indian Medical Opium Powder (in progress)</td>
<td>17,120 7</td>
<td>13,579 11</td>
</tr>
<tr>
<td>Indian Medical Opium Powder (finished stock)</td>
<td>10,989 11</td>
<td>7,961 10</td>
</tr>
<tr>
<td>Alkaloids</td>
<td>7,524 5</td>
<td>5,554 5</td>
</tr>
<tr>
<td>General charges</td>
<td>2,88,276 14</td>
<td>3,00,278 14</td>
</tr>
<tr>
<td>Cost of audit and accounts</td>
<td>22,836 0</td>
<td>22,892 0</td>
</tr>
<tr>
<td>Interest charges</td>
<td>17,90,664 0</td>
<td>11,69,378 0</td>
</tr>
<tr>
<td>Loss on sales of buildings</td>
<td>4,539 0</td>
<td>16,739 0</td>
</tr>
<tr>
<td>Loss on sales of Plant and Machinery</td>
<td>4,090 0</td>
<td></td>
</tr>
<tr>
<td>Net Profit</td>
<td>1,50,45,407 7</td>
<td>1,37,20,372 12</td>
</tr>
<tr>
<td>By sales—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision Opium</td>
<td>2,39,37,200 0</td>
<td>1,97,25,060 0</td>
</tr>
<tr>
<td>Excise Opium Benares (New)</td>
<td>6,06,000 0</td>
<td>4,54,002 8</td>
</tr>
<tr>
<td>&quot; Blended (Old) (in New)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Medical Opium</td>
<td>12,02,322 10</td>
<td>6,73,714 12</td>
</tr>
<tr>
<td>Indian Medical Opium Powder</td>
<td>20,007 11</td>
<td>21,797 5</td>
</tr>
<tr>
<td>Indian Medical Opium Powder Powder</td>
<td>11,523 4</td>
<td>7,541 4</td>
</tr>
<tr>
<td>Alkaloids</td>
<td>1,7,313 14</td>
<td>17,725 1</td>
</tr>
<tr>
<td>Interdepartmental issues</td>
<td>30,826 5</td>
<td>20,837 0</td>
</tr>
<tr>
<td>By Closing Balance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision Opium</td>
<td>81,51,468 9</td>
<td>60,80,385 10</td>
</tr>
<tr>
<td>Excise Opium Benares (in progress)</td>
<td>2,01,455 0</td>
<td>89,777 16</td>
</tr>
<tr>
<td>&quot; Blended (Old) (in New)</td>
<td>29,292 3</td>
<td>1,48,014 3</td>
</tr>
<tr>
<td>Excise Opium Blended (Old) (in finished stock)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excise Opium Blended (New) (in progress)</td>
<td>82,175 0</td>
<td>2,00,031 11</td>
</tr>
<tr>
<td>Excise Opium Blended (New) (in finished stock)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Medical Opium</td>
<td>1,49,708 8</td>
<td>1,23,949 7</td>
</tr>
<tr>
<td>Indian Medical Opium Powder (in progress)</td>
<td>1,32,791 12</td>
<td>117 1</td>
</tr>
<tr>
<td>Indian Medical Opium Powder (finished stock)</td>
<td>289 10</td>
<td></td>
</tr>
<tr>
<td>Indian Medical Opium Cake (finished stock)</td>
<td>6,511 11</td>
<td>663 3</td>
</tr>
<tr>
<td>Alkaloids</td>
<td>29,566 8</td>
<td>26,103 8</td>
</tr>
<tr>
<td>Miscellaneous receipts</td>
<td>150 3</td>
<td>350 5</td>
</tr>
<tr>
<td>Profit on sale of Plant and Machinery</td>
<td>21 4</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4,13,37,277 5</td>
<td>3,44,90,179 0</td>
</tr>
</tbody>
</table>
### OPium Department

**204. Statement showing the output and production costs of Important Products for two years.**

<table>
<thead>
<tr>
<th>Product</th>
<th>Unit</th>
<th>1928-29</th>
<th>1929-30</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Output</td>
<td>Rate</td>
<td>Output</td>
<td>Rate</td>
</tr>
<tr>
<td>Provision Opium - Cakes</td>
<td>Each</td>
<td>1,23,460</td>
<td>34:13:0</td>
<td>1,63,500</td>
</tr>
<tr>
<td>Ditto</td>
<td>Maunds</td>
<td>2,225 (o)</td>
<td>1,392:8:0</td>
<td>4,556 (o)</td>
</tr>
<tr>
<td>Ditto (New)</td>
<td>Chest</td>
<td>450</td>
<td>25:2:8</td>
<td>600</td>
</tr>
<tr>
<td>Pure Benares Excise Opium</td>
<td>@80”</td>
<td>4,400</td>
<td>5:10:0</td>
<td>4,420</td>
</tr>
<tr>
<td>Blended Excise Opium (Old)</td>
<td>@80”</td>
<td>7,400</td>
<td>21:10:0</td>
<td>8,013</td>
</tr>
<tr>
<td>Special Medical Opium - British</td>
<td>@87-80”</td>
<td>480</td>
<td>1,475:7:5</td>
<td>1,480</td>
</tr>
<tr>
<td>Indian Medical Opium - Powder</td>
<td>lb. @ 100”</td>
<td>919</td>
<td>11:12:7</td>
<td>1,146</td>
</tr>
<tr>
<td>Ditto</td>
<td>lb. @ 80”</td>
<td>942</td>
<td>12:12:0</td>
<td>1,168</td>
</tr>
<tr>
<td>Raw Opium - Benares</td>
<td>@70”</td>
<td>7,120</td>
<td>506:12:7</td>
<td>7,098</td>
</tr>
<tr>
<td>Inferior Opium</td>
<td>@70”</td>
<td>1,662</td>
<td>165:0:4</td>
<td>342</td>
</tr>
<tr>
<td>Raw Opium - Malwa</td>
<td>Converted to class A @70”</td>
<td>1,196</td>
<td>482:12:3</td>
<td>6,021</td>
</tr>
<tr>
<td>Leaf</td>
<td>Maund</td>
<td>2,431</td>
<td>23:14:4</td>
<td>1,655</td>
</tr>
<tr>
<td>Trash</td>
<td>Maund</td>
<td>2,412</td>
<td>4:7:4</td>
<td>1,582</td>
</tr>
<tr>
<td>Chests 6 ply assembled</td>
<td></td>
<td>630</td>
<td>9:1:5</td>
<td>670</td>
</tr>
<tr>
<td>Abkari mango chests</td>
<td></td>
<td>2,024</td>
<td>5:2:0</td>
<td>7,908</td>
</tr>
<tr>
<td>3 ply Abkari Opium chests assembled</td>
<td></td>
<td>515</td>
<td>3:14:7</td>
<td></td>
</tr>
<tr>
<td>Chests Medical Opium</td>
<td></td>
<td>496</td>
<td>4:10:5</td>
<td>311</td>
</tr>
<tr>
<td>Compartments</td>
<td>Provision Opium</td>
<td></td>
<td>4,521</td>
<td>0:12:8</td>
</tr>
<tr>
<td>Abkari</td>
<td></td>
<td>12,816</td>
<td>0:5:3</td>
<td>8,442</td>
</tr>
<tr>
<td>Cups</td>
<td></td>
<td>3,00,000</td>
<td>0:0:4</td>
<td>2,22,000</td>
</tr>
</tbody>
</table>
## OPium Department

205: Stores account for the Opium Year, 1929-30.

<table>
<thead>
<tr>
<th>Description</th>
<th>Raw Opium</th>
<th>Provision Opium</th>
<th>Pure Benares</th>
<th>Benares-Malwa, Blended (Old)</th>
<th>Benares-Malwa, Blended (New)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td>Value (Rs.)</td>
<td>Quantity</td>
<td>Value (Rs.)</td>
<td>Quantity</td>
</tr>
<tr>
<td>Opening balance</td>
<td>20,266</td>
<td>1,11,76,515</td>
<td>3</td>
<td>5,653</td>
<td>81,51,468</td>
</tr>
<tr>
<td></td>
<td>Mda</td>
<td>Rs.</td>
<td>Chests</td>
<td>Value (Rs.)</td>
<td>Mda</td>
</tr>
<tr>
<td></td>
<td>235</td>
<td>2,01,453</td>
<td>0</td>
<td>133</td>
<td>1,12,104</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from all sources</td>
<td>13,119</td>
<td>62,10,698</td>
<td>11</td>
<td>4,0624</td>
<td>51,51,404</td>
</tr>
<tr>
<td></td>
<td>Mda</td>
<td>Rs.</td>
<td>Chests</td>
<td>Value (Rs.)</td>
<td>Mda</td>
</tr>
<tr>
<td></td>
<td>500</td>
<td>4,15,439</td>
<td>14</td>
<td>1,827</td>
<td>12,98,174</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>33,385</td>
<td>1,73,87,413</td>
<td>14</td>
<td>9,7354</td>
<td>1,33,32,933</td>
</tr>
<tr>
<td></td>
<td>Mda</td>
<td>Rs.</td>
<td>Chests</td>
<td>Value (Rs.)</td>
<td>Mda</td>
</tr>
<tr>
<td></td>
<td>735</td>
<td>6,16,894</td>
<td>14</td>
<td>1,900</td>
<td>14,10,278</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issues of all kinds</td>
<td>19,226</td>
<td>99,87,358</td>
<td>5</td>
<td>4,931</td>
<td>1,97,25,050</td>
</tr>
<tr>
<td></td>
<td>Mda</td>
<td>Rs.</td>
<td>Chests</td>
<td>Value (Rs.)</td>
<td>Mda</td>
</tr>
<tr>
<td></td>
<td>466</td>
<td>4,56,133</td>
<td>14</td>
<td>1,453</td>
<td>12,81,086</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wastages written off</td>
<td>243</td>
<td>1,17,257</td>
<td>5</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mda</td>
<td>Rs.</td>
<td>Chests</td>
<td>Value (Rs.)</td>
<td>Mda</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>19,468</td>
<td>1,01,04,615</td>
<td>10</td>
<td>4,931</td>
<td>1,97,25,050</td>
</tr>
<tr>
<td></td>
<td>Mda</td>
<td>Rs.</td>
<td>Chests</td>
<td>Value (Rs.)</td>
<td>Mda</td>
</tr>
<tr>
<td></td>
<td>469</td>
<td>4,56,133</td>
<td>14</td>
<td>1,453</td>
<td>12,81,086</td>
</tr>
<tr>
<td>(B) Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(C) Closing balance</td>
<td>13,917</td>
<td>72,82,798</td>
<td>4</td>
<td>4,8044</td>
<td>68,80,885</td>
</tr>
<tr>
<td></td>
<td>Mda</td>
<td>Rs.</td>
<td>Chests</td>
<td>Value (Rs.)</td>
<td>Mda</td>
</tr>
<tr>
<td></td>
<td>286</td>
<td>2,21,027</td>
<td>15</td>
<td>507</td>
<td>3,57,045</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>371</td>
<td>2,66,517</td>
<td>8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
OPiUM DEPARTMENT.

205. Stores account for the Opium Year, 1929-30—contd.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Alkaloids</th>
<th>Medical opium U. K.</th>
<th>Medical Opium for India</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td>Value.</td>
<td>Quantity.</td>
</tr>
<tr>
<td></td>
<td>Rs.  A.</td>
<td>lbs.  Rs.  A.</td>
<td>lbs.  Rs.  A.</td>
</tr>
<tr>
<td>Opening balance</td>
<td>29,566</td>
<td>8 33,286</td>
<td>2,82,500 4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from all</td>
<td>7,226</td>
<td>5 37,943</td>
<td>3,08,602 15</td>
</tr>
<tr>
<td>sources</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(A) Total</td>
<td>36,792 13</td>
<td>71,229</td>
<td>5,91,603 3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issues of all kinds</td>
<td>17,725</td>
<td>1 42,634</td>
<td>6,91,952 13</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wastages written off</td>
<td></td>
<td>10,171</td>
<td></td>
</tr>
<tr>
<td>(B) Total</td>
<td>17,725</td>
<td>1 52,793</td>
<td>6,91,952 13</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(C) Closing balance</td>
<td>26,143</td>
<td>8 18,434</td>
<td>1,23,949 7</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous. (a)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Includes following classes of stores:
Inferior opium, contraband opium, dhol, lewa, leaf, trash, cups, chests and compartments.
The difference between A and (B plus C) represents profit or loss.

(Sd.) C. BHASKARAIYA,
Asstt. Director of Commercial Audit,
Calcutta Circle.

(Sd.) G. B. F. MUIR,
Opium Agent.
CHAPTER IV.
GOVERNMENT OF INDIA

Education, Health and Lands Department Concerns.

MATHEMATICAL INSTRUMENT OFFICE, CALCUTTA.


206. We anticipated by averages that there would be a fair demand made on the Mathematical Instrument office, and accordingly stores, etc., were indented for; for unfortunately the general trade depression has also affected this office badly. Instead of a normal demand, the sales have dropped over Rs. 1,19,000 which means that our stock has risen accordingly, as all our European Stores take at least 8 months to arrive in India after the indent has been placed. This drop in sales not only means a drop in profit, but also a rise in the overhead charges due to interest on the heavy stock.

207. The workshop also suffered, but not to the same extent. During the first half of the year, demands were fairly brisk, but only in rushes, which meant a lot of overtime had to be expended, and after the rush-jobs were finished, work was slack again.

208. During the latter half of the year, both sales and demands on works dropped considerably. The workshop was fortunate in securing some fairly large orders from the Military Department but at very low prices and in very short time, which also entailed a good deal of overtime.

209. Taking into consideration the trade depression, the Mathematical Instrument Office has perhaps done as well, if not better than most of the local stores and workshops.

210. With regard to the balance sheet presented it will be noticed that a sum of Rs. 36,381 has been debited on account of interest on capital. This is rather a misleading figure, as out of the above, the amount of Rs. 1,049 is for Mobilisation stock and that of Rs. 5,073 for instruments required by Government Departments as no longer required and will, as demands occur, be made serviceable and transferred to our stores. The Mathematical Instrument Office has very little control on the above stock; if an instrument can be made serviceable and there will eventually be a demand for same it must be accepted; if it were not done so, it would have to be sold by auction at terrible sacrifice.

211. The Government of India have recognised the fact and in para. 12 of letter No. 459, dated the 1st September 1925, stated as below:—

"A separate 'Damp or Suspense Account' is maintained by the Mathematical Instrument Office, which includes all repairable stores, mobilisation reserves, obsolescent stock and other items which are not susceptible of Commercial management, but which have to be run by the Mathematical Instru-
ment Office in the general interests of the state. The 'Dump or Suspense Account' should bear its due share of establishment charges, but should be excluded from the Profit and Loss Account of the Stores Section.'

212. A "Suspense Account" should be opened for the above two stocks, namely, Mobilisation and Repairable Stores, and no percentage should be shown against these two items in the Profit and Loss Account.

213. If this is accepted it brings down the debit due to interest on capital to about Rs. 30,200. From the detailed calculation given below, it will be observed that the Mathematical Instrument Office has nearly paid its way or in other words has paid Government about 2·6 per cent. for the money borrowed—

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debit as per P. and L. Statement</td>
<td>10,17,818</td>
</tr>
<tr>
<td>Less—Interest on capital shown therein</td>
<td>36,382</td>
</tr>
<tr>
<td>Net Debit excluding interest</td>
<td>9,81,436</td>
</tr>
<tr>
<td>Net Credit as per P. and L. Statement</td>
<td>9,96,368</td>
</tr>
<tr>
<td>Deduct—Debit out of the total credit</td>
<td>9,81,436</td>
</tr>
<tr>
<td>Add—The value of the Book-keeping machine wrongly issued off as a final charge</td>
<td>15,123</td>
</tr>
<tr>
<td>Total</td>
<td>17,830</td>
</tr>
</tbody>
</table>

Capital on—

<table>
<thead>
<tr>
<th>Date</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st April 1929</td>
<td>8,71,298</td>
</tr>
<tr>
<td>1st October 1929</td>
<td>7,03,774</td>
</tr>
<tr>
<td></td>
<td>15,75,072</td>
</tr>
<tr>
<td></td>
<td>6,87,536</td>
</tr>
<tr>
<td>$100 \times 17,830$</td>
<td>or about 2.6 per cent.</td>
</tr>
<tr>
<td>$6,87,536$</td>
<td></td>
</tr>
</tbody>
</table>

214. The debit has further been reduced by Rs. 2,698 as since writing this review it has been detected that the Book-keeping machine has been erroneously issued to works, instead of to office under head "Plants." The actual corrections will be made in the accounts of the current financial year.

215. It is very difficult to retrench. If the casual labour be retrenched it means revenue will drop still further, which would push up the overhead charges still higher. The only useful retrenchment is reduction of stock, clerical labour, Supervisors or in other words non-earning Units. The latter two cannot be reduced as the office is working on the minimum. Most of the Staff in the Mathematical Instrument Office are working at least two hours daily overtime. Steps have been taken to reduce stock, the minimum amount having been intended for from England.

216. The prospects for the current year are still more gloomy than the one under review. In the first 4 months there was loss of Rs. 32,000, but it is hoped that the outturns of July and August will help in reducing this loss.
The total sales for the month of April of the current financial year were only Rs. 20,800; this figure represents the 10 per cent. profit, that is, the cost price of the stores was Rs. 18,950 and the sale value Rs. 20,800, the difference being Rs. 1,850, which has to pay for interest on capital, which alone amounts to Rs. 2,694, direct labour about Rs. 600 and dozens of other petty charges such as, clerical labour, adjustment charges, loss in transit, etc.

Section II.—Remarks by the Director of Commercial Audit.

218. Paragraphs 210 to 213 of the Financial Review.—The considerations urged in these paragraphs do not affect the comparison of the results of the year under review with those of previous years. Interest has always been charged on the total capital locked up in the concern. The Dump account referred to in paragraph 211 has already been written down to Rs. 100.

219. Paragraph 215 of the Financial Review.—If the fall in demand is responsible for the drop in profit (as stated in paragraph 206 of the Review) it is hard to see how "the revenue will drop still further" if the "casual labour be retrenched." Attention is invited in this connection to the increase of Rs. 8,096 under "Wages and Salaries," over the previous year's figures and to paragraph 222 below.


221. As against profits of Rs. 12,429 and Rs. 1,603 in the two previous years, the net financial result of the transactions of the year under review is a loss of Rs. 21,250.

The amount included in the pro forma accounts towards the rent of office buildings is however not Rs. 35,364 as intimated by the Executive Engineer but only Rs. 20,305. The question of the correct figure to be adopted has been submitted to Government for orders. It may be pointed out, that if Rs. 35,364 is to be taken as the rent, the loss during the year would be increased by Rs. 15,059. On the other hand, a sum of Rs. 600 on account of passage contribution which should have been debited in the previous year's accounts has been debited in this year's account. The loss for the year will, after making allowance for both these factors, be Rs. 35,709.

The loss is due to the fall in the manufacture and sales, as illustrated by the table below, and the matter is dealt with in the Financial Review prepared by the Superintendent, Mathematical Instrument Office:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Manufacture</td>
<td>3,97,618</td>
<td>3,98,871</td>
<td>3,68,334</td>
</tr>
<tr>
<td>Instruments sold</td>
<td>5,60,829</td>
<td>5,39,308</td>
<td>4,20,131</td>
</tr>
<tr>
<td>Repair charges recovered</td>
<td>1,54,093</td>
<td>2,44,068</td>
<td>2,21,519</td>
</tr>
</tbody>
</table>
282. The summary below of the working results of this and the two previous years brings out the differences:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit on repairs and manufacture of instr.</td>
<td>2,97,662</td>
<td>3,31,422</td>
<td>3,22,226</td>
</tr>
<tr>
<td>Gross profit on sales of instruments</td>
<td>60,104</td>
<td>67,729</td>
<td>46,276</td>
</tr>
<tr>
<td>Miscellaneous receipts</td>
<td>2,278</td>
<td>3,576</td>
<td>2,137</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,60,044</td>
<td>3,92,727</td>
<td>3,70,639</td>
</tr>
<tr>
<td><strong>Deduct—Wages and General Expenses</strong></td>
<td>3,58,641</td>
<td>3,80,298</td>
<td>3,01,889</td>
</tr>
<tr>
<td>Net Profit</td>
<td>1,003</td>
<td>12,429</td>
<td>...</td>
</tr>
<tr>
<td>Net Loss</td>
<td>...</td>
<td>...</td>
<td>21,250</td>
</tr>
</tbody>
</table>

It will thus be seen that although the gross profit on Repairs, manufacture and sale of instruments has gone down by Rs. 20,649 compared with last year's figure, the Wages and General Expenses have gone up by Rs. 11,591.

The increases under "Direct and Indirect charges" are shown below:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and Salaries</td>
<td>2,00,320</td>
<td>2,08,416</td>
<td>8,096</td>
</tr>
<tr>
<td>Interest on Capital</td>
<td>35,518</td>
<td>36,382</td>
<td>864</td>
</tr>
<tr>
<td>Pensionary charges</td>
<td>27,572</td>
<td>28,472</td>
<td>900</td>
</tr>
<tr>
<td>Passage contribution</td>
<td>...</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(for two years).</td>
</tr>
<tr>
<td>Audit fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial Audit</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Other Audit and Accounts Officers</td>
<td>...</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Police Charges</td>
<td>1,256</td>
<td>1,820</td>
<td>464</td>
</tr>
<tr>
<td>Sundry Expenses</td>
<td>22,337</td>
<td>23,024</td>
<td>647</td>
</tr>
</tbody>
</table>

283. The capital invested by Government in this concern at the end of each official year is compared below for three years:

<table>
<thead>
<tr>
<th>Years</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>31st March 1928</td>
<td>6,63,167</td>
</tr>
<tr>
<td>31st March 1929</td>
<td>6,71,298</td>
</tr>
<tr>
<td>31st March 1930</td>
<td>7,62,069 (after deducting the loss for the year).</td>
</tr>
</tbody>
</table>

It will be seen that the capital is thus on the increase, the increase during the year 1929-30 being Rs. 90,801.
The stores balances for the last three years are given below:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Serviceable Stores</td>
<td>2,87,839</td>
<td>3,00,749</td>
<td>4,10,839</td>
</tr>
<tr>
<td>Material Stores</td>
<td>2,01,072</td>
<td>2,02,796</td>
<td>2,00,286</td>
</tr>
<tr>
<td>Repairable Stores</td>
<td>97,799</td>
<td>96,280</td>
<td>1,06,675</td>
</tr>
<tr>
<td>Dump Stores</td>
<td>21,218</td>
<td>21,023</td>
<td>100*</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,07,928</td>
<td>6,29,838</td>
<td>7,17,799</td>
</tr>
</tbody>
</table>

* (Reduced under Government of India orders). Thus even though the Dump Stores were written down to the extent of Rs. 20,023, there has been an increase of Rs. 92,029 over last year's balance.

224. The importance of introducing a proper costing system was dealt with in paragraph 139 of the Appendix to the Appropriation Accounts of the Central Government for the year 1928-29, which stated that "the only way of judging at present of the general adequacy of the prices charged for repair work, etc., is the final result of working for the year, and the Profit of Rs. 12,429 is evidence that prices are fairly correctly gauged. It is believed however that a proper costing system would give the Superintendent increased facilities for control." In view of the loss incurred during the year under review and the further loss expected by the Superintendent in the year 1930-31 the question of the adequacy of the prices charged will no doubt be reviewed and the question of costing will assume an additional importance. It is understood that a system of costing has been drawn up by the Superintendent, Mathematical Instrument Office, but it has not yet been introduced, and that a few experiments made by the Superintendent were not found to be satisfactory.
<table>
<thead>
<tr>
<th>Liabilities</th>
<th>As at 31st March 1929.</th>
<th>As at 31st March 1930.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Details.</td>
<td>Total.</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sundry creditors</td>
<td></td>
<td>1,595</td>
</tr>
<tr>
<td>Wages accrued and unsalubrable</td>
<td></td>
<td>22,093</td>
</tr>
<tr>
<td>Government Account—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance on 1st April 1928 and 1929</td>
<td></td>
<td>6,63,107</td>
</tr>
<tr>
<td>Add—Receipts during the year</td>
<td></td>
<td>7,96,392</td>
</tr>
<tr>
<td>Deduct—Payments during the year</td>
<td></td>
<td>14,49,559</td>
</tr>
<tr>
<td>Deduct—Loss</td>
<td></td>
<td>21,250</td>
</tr>
<tr>
<td>Profit for the year</td>
<td></td>
<td>12,429</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets</th>
<th>As at 31st March 1929.</th>
<th>As at 31st March 1930.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Details.</td>
<td>Total.</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Plant and Machinery—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance on 1st April</td>
<td></td>
<td>27,434</td>
</tr>
<tr>
<td>Add—Purchases during the year</td>
<td></td>
<td>740</td>
</tr>
<tr>
<td>Less—Depreciation</td>
<td></td>
<td>28,174</td>
</tr>
<tr>
<td>Furniture—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance</td>
<td></td>
<td>4,866</td>
</tr>
<tr>
<td>Less—Depreciation</td>
<td></td>
<td>1,999</td>
</tr>
<tr>
<td>Stock—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Servicable Stores</td>
<td></td>
<td>3,09,749</td>
</tr>
<tr>
<td>Materials Stores</td>
<td></td>
<td>2,02,796</td>
</tr>
<tr>
<td>Repairable Stores</td>
<td></td>
<td>90,269</td>
</tr>
<tr>
<td>Dump Stores</td>
<td></td>
<td>21,023</td>
</tr>
<tr>
<td>Work in Progress</td>
<td></td>
<td>6,29,828</td>
</tr>
<tr>
<td>Repairable instruments in works</td>
<td></td>
<td>35,999</td>
</tr>
<tr>
<td>Sundry debtors</td>
<td></td>
<td>5,085</td>
</tr>
<tr>
<td>Customs duty paid in advance</td>
<td></td>
<td>4,941</td>
</tr>
<tr>
<td>Cash on hand</td>
<td></td>
<td>1,505</td>
</tr>
</tbody>
</table>

Total | 6,95,886 | 7,84,951 |

C. BHASKARAIYA,
Asstt. Director of Commercial Audit,
Calcutta Cirecle.

SARAT CHANDRA SIRCAR,
Accountant,
Mathematical Instrument Office.

S. WOODHOUSE,
Superintendent,
Mathematical Instrument Office.
<table>
<thead>
<tr>
<th>Description</th>
<th>31st March 1929</th>
<th>31st March 1930</th>
<th>31st March 1929</th>
<th>31st March 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Work in progress</td>
<td>32,790</td>
<td>35,969</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repairable instruments in works</td>
<td>13,382</td>
<td>5,085</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Book value of instruments sold</td>
<td>4,871,700</td>
<td>3,78,856</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages (Works and General)</td>
<td>2,66,320</td>
<td>2,68,410</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repairable stores W.T. components, etc.</td>
<td>2,47,069</td>
<td>2,11,018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on capital</td>
<td>35,318</td>
<td>30,392</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>7,242</td>
<td>6,072</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pensionary charges</td>
<td>27,372</td>
<td>29,472</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates, rates and taxes</td>
<td>22,349</td>
<td>22,285</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit fees</td>
<td>1,000</td>
<td>1,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Police charges</td>
<td>1,356</td>
<td>1,820</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passage contribution</td>
<td></td>
<td>1,300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sundries and other expenses</td>
<td>5,966</td>
<td>6,616</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stationery and Printing</td>
<td>4,446</td>
<td>3,571</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freight charges</td>
<td>4,999</td>
<td>4,800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Postage</td>
<td>7,943</td>
<td>7,092</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>22,337</td>
<td>455</td>
<td>23,034</td>
<td></td>
</tr>
<tr>
<td>Menials</td>
<td>670</td>
<td>640</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent of Phone</td>
<td>1,985</td>
<td>849</td>
<td>620</td>
<td></td>
</tr>
<tr>
<td>Value of stores written off</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shortage in stock-taking</td>
<td>12,429</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Profit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>11,67,878</td>
<td>10,17,818</td>
<td>11,67,878</td>
<td>10,17,818</td>
</tr>
</tbody>
</table>
### Stock Account of the Mathematical Instrument Office, Calcutta, for the year 1929-30.

<table>
<thead>
<tr>
<th>Description</th>
<th>1928-29.</th>
<th>1929-30.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. To value of stock on 1st April</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Articles ready for issue for ordinary purposes</td>
<td>2,68,084</td>
<td>2,80,920</td>
</tr>
<tr>
<td>(b) Mobilisation stock held for Military purposes</td>
<td>19,755</td>
<td>19,755</td>
</tr>
<tr>
<td>(c) Materials in stock for manufacture of instruments</td>
<td>2,01,072</td>
<td>2,03,881</td>
</tr>
<tr>
<td>(d) Instruments returned as no longer required</td>
<td>97,700</td>
<td>96,260</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,31,486</td>
<td>13,04,981</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>1928-29.</th>
<th>1929-30.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2. Adjustment due to revaluation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net increased</td>
<td>188</td>
<td>824</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,31,486</td>
<td>13,04,981</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>1928-29.</th>
<th>1929-30.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Imported articles</td>
<td>2,80,107</td>
<td>2,64,339</td>
</tr>
<tr>
<td>(b) Articles locally purchased</td>
<td>99,167</td>
<td>81,837</td>
</tr>
<tr>
<td>(c) Articles manufactured at workshop</td>
<td>2,53,912</td>
<td>2,34,700</td>
</tr>
<tr>
<td>(d) Articles returned by Government departments as no longer required</td>
<td>33,356</td>
<td>44,931</td>
</tr>
<tr>
<td>(e) Articles taken from repairable stores and made serviceable after repairs</td>
<td>76,254</td>
<td>67,841</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,31,486</td>
<td>13,04,981</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>1928-29.</th>
<th>1929-30.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Miscellaneous receipt</strong></td>
<td>101</td>
<td>316</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,31,486</td>
<td>13,04,981</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>1928-29.</th>
<th>1929-30.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Closing balance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Articles ready for issue for ordinary purposes</td>
<td>2,80,920</td>
<td>3,91,084</td>
</tr>
<tr>
<td>Mobilisation stock held for Military purposes</td>
<td>19,755</td>
<td>19,755</td>
</tr>
<tr>
<td>Materials in stock for manufacture of instruments</td>
<td>2,03,881</td>
<td>2,00,935</td>
</tr>
<tr>
<td>Instruments returned as no longer required</td>
<td>96,260</td>
<td>1,00,673</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>32,303</td>
<td>32,328</td>
</tr>
</tbody>
</table>

### Dump and Condemned, etc., stores.

<table>
<thead>
<tr>
<th>Description</th>
<th>1928-29.</th>
<th>1929-30.</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Opening balance</td>
<td>31,310</td>
<td>39,810</td>
</tr>
<tr>
<td>Transfers (as in above account)</td>
<td>999</td>
<td>1,718</td>
</tr>
<tr>
<td>By amount realised by sale or otherwise</td>
<td>638</td>
<td>1,331</td>
</tr>
<tr>
<td>Loss representing difference between book value (as above) and value realised</td>
<td>835</td>
<td>21,256</td>
</tr>
<tr>
<td>Closing balance</td>
<td>30,810</td>
<td>1,941</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>32,303</td>
<td>32,328</td>
</tr>
</tbody>
</table>

---

*This includes Rs. 20,382 for dump stores transferred to government account as per Government of India, Education, Health and Lands, letter No. 314-E., dated the 10th October 1929.*

238. The proposals for the commercialisation of the accounts having been dropped it was decided that the local audit of the Stores and other existing accounts with effect from the year 1929-30 be transferred to the Commercial Audit Branch. This Branch was given the right to recommend in its audit reports any improvements in accounting and control over cash or Stores which may be considered desirable. The first audit of these concerns' accounts was conducted for the year 1929-30 and reports suggesting minor improvements, etc., were issued.

229. The Officer-in-charge of the Photo Litho Office has, at the instance of audit, agreed to draw up, from the year 1931-32 onwards, for inclusion in this Appendix, a store account showing for the whole year the total value of receipts and issues of stores working from the opening to the closing balance. It has been suggested that such an account might be prepared with effect from the year 1930-31.

230. The preparation of a similar account in values, in the case of the maps in the Map Record and Issue Office, will, it is held, involve additional labour and expenditure which is considered unnecessary. The suggestion made in audit that the accounts should in that case, be prepared, showing the number of maps without their value will be brought into force from the year 1930-31. Owing to the Ledgers not having been maintained for the full period it has not been possible to compile a statement for the year 1929-30.

GENERAL REMARKS INTRODUCTORY TO THE ACCOUNTS OF THE FARMS AND CREAMERY.

BY THE DIRECTOR OF COMMERCIAL AUDIT.

231. Bangalore, Wellington and Karnal Farms and Anand Creamery form a group of quasi-commercial concerns under the control of the Imperial Dairy Expert; their primary function is research and education and they were acquired, and are worked by the Government of India for the purpose of providing facilities for education and research in connection with the closely allied and important problems of animal husbandry and dairying. All of these four institutions have a specific part in the system of education, diploma and postgraduate, given by the Imperial Agricultural Department. Students are trained at these four centres, and each centre gives the particular class of teaching and experience for which it is particularly fitted and for which purpose it is maintained. Each institution does produce, however, marketable products, and the commercial side has been developed as a support to the educational side so that the best possible use may be made of revenue producing assets and the final cost of education and research may be as low as possible. The Accounts of the Farms and the Creamery are divided into two sections— "Education and Research" and "Commercial" activities to exhibit on the one hand the cost to Government of the training of students.
and of research into problems of animal husbandry, and on the other of the trading in the produce of the Farms and Creamery. This division of accounts cannot isolate the effects of experiments on the commercial activities of the farm, for not infrequently experiments tend to incapacitate permanently or temporarily the best stock from functioning in a manner most profitable to the commercial side.

232. The reviews in this section deal with these institutions as entirely separate commercial units. The Dairy Expert claims that as these institutions form part of one educational and research scheme they should be judged by the combined results. Further, the financial results of farms are very largely affected by climatic conditions which vary from year to year, and by outbreaks of epizootic diseases which in some years may be prevalent, and in others non-existent, and it is therefore necessary to study results not of one year, but over a series of years. In deference to this view the group results of these institutions for the past three years are given below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost of Education and Research</th>
<th>Commercial activities, Profit or Loss (—)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927-28</td>
<td>1,36,310</td>
<td>27,712</td>
</tr>
<tr>
<td>1928-29</td>
<td>1,65,050</td>
<td>30,260</td>
</tr>
<tr>
<td>1929-30</td>
<td>1,77,300</td>
<td>30,438</td>
</tr>
<tr>
<td>Total</td>
<td>4,79,666</td>
<td>88,400</td>
</tr>
</tbody>
</table>

The average yearly profit for the three years on the commercial side is Rs. 29,467 and the result may be regarded as satisfactory.

233. It may be mentioned that in the commercial accounts of Government Farms indirect charges such as Audit fees, Direction charges, Interest, etc., have not been included. These are given in a footnote to the accounts and the final results inclusive of these charges can be worked out if desired. The decision not to include these charges was taken by the Government of India and acquiesced in by the Auditor General for special reasons (among them those mentioned in paragraph 231) affecting Government Farms.

234. In dealing with the accounts of these institutions certain questions of general interest to the tax-payer were put to the authorities responsible for the control of these farms, and it might save the time of the Committee if the results of the enquiries were recorded here. It may be stated that the reasons given are the explanations of administrative authorities and not of the Commercial Audit Branch, but that the latter has no desire to impugn them.

To the question why milk production cannot be restricted to the demand and the available market the reply was that this is impossible because of the variability in the yield of the cow, her periods of calving, and of the available market. Yield is affected by weather conditions and the health of the animals; demand is affected by the health of the buying public. Supply and demand in milk is difficult to reconcile in any part of the world, and the usual policy followed by milk producers of supplementing their own supply
by outside purchase cannot safely be followed by Government farms because of possible contamination of outside sources.

It was suggested that money might be made by the sale to the public of the improved young stock which it is the Farms’ business to produce. The difficulty here urged is that there is no market yet in which such young stock will fetch economic prices because of the lack of appreciation of the advantages of improved stock. To create this appreciation is one of the functions of the whole organisation.

It will be noticed in the reviews of the Bangalore and Wellington Farms that selling prices were reduced to rates which do not cover the cost of production and of delivery. These reductions were made in sympathy with a fall in prices of dairy produce all over the world, and were imperative in order to retain the existing custom.

It is noticeable that Farm milk cannot be used for the production of butter at competitive prices. The reason is that the dairies produce cows’ milk which contains 4 to 4\(\frac{1}{2}\) per cent. of fat against the 7\(\frac{1}{2}\) to 8 per cent. of fat in buffaloes’ milk. Hence it is impossible for butter made from cows’ milk to sell at competitive prices in the open market. Further, milk produced on Government farms from expensive stock must be more expensive than that produced by animals grazing on common lands where there are no labour or overhead charges.

The essential reason for Government Farms not yielding greater profits is that the commercial activities are always influenced by requirements in connection with the primary purpose of education and research. If it were to be laid down that these institutions must pay their way even on the commercial side all research, experimental and educational work would have to cease.

GENERAL REMARKS INTRODUCTORY TO THE ACCOUNTS AND REVIEWS OF THE FARMS AND CREAMERY.

By the Imperial Dairy Expert.

235. General.—I concur with the foregoing general introductory remarks of the Director of Commercial Audit.

236. The results of the commercial side of the working of the three farms and Anand Creamery show an increase in profit earned of some Rs. 180 over the profits of the previous year and this in view of the state of trade and general fall in selling prices of all kinds of farm produce during the year must be regarded as satisfactory. The indications at the time of writing are that a further improvement may be looked for in the current year’s trading.

237. A review of the accounts or finance of these farms and the creamery is not the place in which the educational and scientific work done can be dealt with, but it may be mentioned that this has been extended and increased in the year under review without curtailing the profits of the commercial side of their activities.

238. The aim of this office as the administrative authority responsible, is to maintain and work the farms and the creamery in the highest possible
state of efficiency as educational and research institutions and whilst maintaining this standard to see that everything possible is done to encourage commercial revenues and keep down expenditure.

239. The following reports on the working of the farms and creamery from the trading accounts point of view gives details of the financial position at each of these institutions:—

**IMPERIAL INSTITUTE OF ANIMAL HUSBANDRY AND DAIRYING, WELLINGTON.**

**SECTION I.—FINANCIAL REVIEW BY THE SUPERINTENDENT ON THE ACCOUNTS OF THE YEAR 1929-30.**

240. The trading of the year shows a net loss of Rs. 14,700 against a loss of Rs. 19,150 during 1928-29 and a profit of Rs. 7,827 during 1927-28. The loss is chiefly due to the attacks of Foot and Mouth disease in 1928 and again in 1929. Although the immediate effect of this outbreak resulting in heavy casualties was fully reflected in the accounts of the preceding year the after effects of the disease continued to be responsible for the following results during the year under review also—

1. Decrease in the average daily yield of the cows from 13-66 lbs. in 1927-28 to 12-6 lbs. in 1928-29, and 10-74 lbs. during the year under review.

2. Casualties and condemnations.

3. Increase in expenditure under Grain and Fodder.

241. The following other causes also have contributed to the loss in the working of the Farm:—

1. Increase in expenditure under Repairs to buildings, Salaries and Miscellaneous expenses.

2. Increase in the cost of production of milk due to decrease in the yield of cows coupled with a reduction in selling prices.

242. The loss in milk yield is apparent from the following figures:—

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of animals milked</td>
<td>17,441</td>
<td>17,113</td>
<td>17,169</td>
</tr>
<tr>
<td>Milk yield in lbs.</td>
<td>1,87,299</td>
<td>2,15,710</td>
<td>2,34,332</td>
</tr>
<tr>
<td>Milk purchases in lbs.</td>
<td>67,874</td>
<td>39,9034</td>
<td>20,5404</td>
</tr>
<tr>
<td>Average yield per animal</td>
<td>10-74</td>
<td>12-6</td>
<td>13-68</td>
</tr>
<tr>
<td>Total herd</td>
<td>25,371</td>
<td>22,799</td>
<td>27,056</td>
</tr>
<tr>
<td>Percentage of animals dry to the total herd</td>
<td>31</td>
<td>25</td>
<td>36</td>
</tr>
</tbody>
</table>

The decrease in the yield was noticeable especially in the first six months of the year, when the quantity yielded was 32,469 lbs. less than the yield for the corresponding period of the previous year amounting to a loss of Rs. 5,069.

243. The loss arising from casualties during the year under review was Rs. 2,326 against Rs. 10,485 in 1928-29, and Rs. 2,700 during 1927-28. The total net loss due to casualties, condemnations and valuations during these three years were Rs. 7,555, Rs. 13,263 and Rs. 3,178 respectively.
244. (a) The increase under Grain and Fodder is attributable to feed and upkeep of extra animals during the year and also to issue of extra special rations for bringing up the condition of the herd affected by the disease. The cattle are however slowly recovering from the severe effects of the recent outbreaks of disease and as there has been a considerable drop in the cost of feeding stuffs a further improvement in the financial position is looked for in the current year's working.

(b) Fencing extra lands taken up and re-roofing, overhauling, etc., of Fodder Shed are responsible for increase under repairs to buildings.

(c) The increase under salaries and allowances is due to extra temporary establishment employed for cultivating more lands taken up and the increments to staff.

(d) The increase under miscellaneous expenses is on account of the inclusion of charges for Printing, Stationery and supply of Forms, not charged for in previous years.

245. The loss on the working of this Farm has been calculated only after charging 20 per cent. of the expenditure on the feed and keep, etc., to Education and Research, and without taking into consideration the following charges—

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Share to Education</th>
<th>Share to Commercial activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Per cent.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Leave and pensionary charges</td>
<td>1,656</td>
<td>20</td>
<td>331</td>
</tr>
<tr>
<td>Share of direction charges</td>
<td>900</td>
<td>50</td>
<td>450</td>
</tr>
<tr>
<td>Audit fee</td>
<td>600</td>
<td>20</td>
<td>120</td>
</tr>
<tr>
<td>Interest charges</td>
<td>14,196</td>
<td>50</td>
<td>7,098</td>
</tr>
<tr>
<td></td>
<td>17,352</td>
<td></td>
<td>7,999</td>
</tr>
</tbody>
</table>
These charges have however been included in working out the all-in costs of Dairy Products, and in the following table, the all-in costs are compared with the selling prices—

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
</tr>
<tr>
<td>Milk production</td>
<td>0.6 9-408</td>
<td>0.6 8-025</td>
<td>0.6 3-568</td>
<td>0.6 1-53</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milk delivery charges</td>
<td>0.0 1-505</td>
<td>0.0 1-54</td>
<td>0.0 1-53</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.5 10-913</td>
<td>0.3 1-6</td>
<td>0.3 1-6</td>
<td>0.3 1-6</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.5 9-565</td>
<td>0.3 2-6</td>
<td>0.3 7-21</td>
<td>0.3 3-6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Butter production</td>
<td>1.2 7-6</td>
<td>1.4 4-52</td>
<td>1.3 11-68</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Butter delivery charges</td>
<td>0.0 1-549</td>
<td>0.0 1-51</td>
<td>0.0 1-51</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.2 9-149</td>
<td>1.7 10-4</td>
<td>1.8 2-2</td>
<td>1.8 7-2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cream production</td>
<td>3.10 0-4</td>
<td>3.15 1-1</td>
<td>2.6 3-9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cream delivery charges</td>
<td>0.0 1-19</td>
<td>0.0 1-31</td>
<td>0.0 1-25</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.10 1-59</td>
<td>3.15 2-41</td>
<td>3.12 0</td>
<td>3.15 5-15</td>
<td>3.12 0</td>
<td></td>
</tr>
</tbody>
</table>

The increase in the cost of production is explained in paragraphs 240 to 244 above. It does not pay to convert Farm milk into Cream, but a certain quantity has to be converted to meet the demands of Hospitals and regular customers, and a loss has to be faced on this account.
247. The following Herd and Milk Statistics are of interest:—

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing stock of milking herd on 31st March</td>
<td>72</td>
<td>64</td>
<td>73</td>
</tr>
<tr>
<td>No. of cows milked during the period</td>
<td>17,441</td>
<td>17,115</td>
<td>17,168</td>
</tr>
<tr>
<td>No. of cows dry</td>
<td>7,920</td>
<td>5,684</td>
<td>9,888</td>
</tr>
<tr>
<td>Yield of milk during the year in lbs.</td>
<td>1,87,266</td>
<td>2,15,710</td>
<td>2,34,532</td>
</tr>
<tr>
<td>Average quantity available for sale including local purchase of milk in lbs.</td>
<td>2,46,170-6</td>
<td>2,48,145-6</td>
<td>2,42,125-13</td>
</tr>
<tr>
<td>Average yield per animal</td>
<td>10.74</td>
<td>12.6</td>
<td>13.66</td>
</tr>
<tr>
<td>Quantity sold in lbs.</td>
<td>2,39,865-6</td>
<td>2,34,230-6</td>
<td>2,27,901-13</td>
</tr>
<tr>
<td>Issues to Cream and Butter in lbs.</td>
<td>6,973</td>
<td>13,553</td>
<td>12,638</td>
</tr>
</tbody>
</table>

The variations in the milking herd were as follows:—

<table>
<thead>
<tr>
<th></th>
<th>Cows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of cattle</td>
<td>20</td>
</tr>
<tr>
<td>Deaths</td>
<td>5</td>
</tr>
<tr>
<td>Total vacancia were filled up by purchases</td>
<td>16</td>
</tr>
<tr>
<td>Transfers from other farms</td>
<td>6</td>
</tr>
<tr>
<td>The number of young stock transferred to Adult stock during the year was</td>
<td>10</td>
</tr>
</tbody>
</table>

248. The following figures will show the steady increase in the sales of Dairy Produce, etc., during the last few years:—

<table>
<thead>
<tr>
<th>Dairy Produce Sales</th>
<th>1929-1930</th>
<th>1928-1929</th>
<th>1927-1928</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lbs.</td>
<td>Rs.</td>
<td>Lbs.</td>
</tr>
<tr>
<td>Milk</td>
<td>2,30,885</td>
<td>40,525</td>
<td>2,34,230</td>
</tr>
<tr>
<td>Butter</td>
<td>19,286</td>
<td>28,271</td>
<td>19,179</td>
</tr>
<tr>
<td>Cream</td>
<td>619</td>
<td>1,081</td>
<td>785</td>
</tr>
<tr>
<td>Cheese</td>
<td>81</td>
<td>146</td>
<td>75</td>
</tr>
<tr>
<td>Butter Milk</td>
<td>2,613</td>
<td>41</td>
<td>1,314</td>
</tr>
<tr>
<td>Separated Milk</td>
<td>101</td>
<td>6</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>70,073</td>
<td>77,497</td>
<td>77,187</td>
</tr>
</tbody>
</table>

Miscellaneous Receipts—

<table>
<thead>
<tr>
<th></th>
<th>1929-1930</th>
<th>1928-1929</th>
<th>1927-1928</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potato sales</td>
<td>3,942</td>
<td>1,866</td>
<td>2,924</td>
</tr>
<tr>
<td>Other receipts</td>
<td>1,801</td>
<td>2,453</td>
<td>1,611</td>
</tr>
<tr>
<td></td>
<td>5,743</td>
<td>4,319</td>
<td>4,535</td>
</tr>
</tbody>
</table>

In spite of the increased sales of Rs. 5,635 lbs. milk and 107 lbs. butter during the year under report, the sale proceeds will be found decreased owing to reduction in the selling rates sanctioned by Government from 1st November, 1928.

1. *Lands.*—The expenditure for clearing and excavation of land during the year amounted to Rs. 250 which was capitalised under improvements as usual.

2. *Buildings.*—The additions made during the year amounted to Rs. 3,559 as detailed below:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addition to milk recording room</td>
<td>20</td>
</tr>
<tr>
<td>Addition to New Model Cattle Shed</td>
<td>1,937</td>
</tr>
<tr>
<td>Addition to calf shed</td>
<td>851</td>
</tr>
<tr>
<td>Water tank</td>
<td>466</td>
</tr>
<tr>
<td>Drains</td>
<td>275</td>
</tr>
</tbody>
</table>

Depreciation has been written off on buildings and plant and machinery at rates approved of by Government.

250. *Live Stock.*—The live stock was valued on 21st March 1930 by the Director of Agricultural Research Institute, Pusa, and his valuation has been adopted. The following additions were made to the herd during the year:

- 16 Hariana Cows at an average of Rs. 482 each.
- 6 Cross bred cows at an average cost of Rs. 313-8 each.
- 1 Billy Goat at an average cost of Rs. 7.

The following is the summary of the live stock carried in the Balance Sheet:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 cows pure bred</td>
<td>20,780</td>
</tr>
<tr>
<td>57 cows half bred</td>
<td>18,817</td>
</tr>
<tr>
<td>56 Young Stock female</td>
<td>6,750</td>
</tr>
<tr>
<td>18 Young stock male</td>
<td>1,235</td>
</tr>
<tr>
<td>5 Bulls</td>
<td>4,175</td>
</tr>
<tr>
<td><strong>Total milking herd</strong></td>
<td><strong>51,687</strong></td>
</tr>
<tr>
<td>Draught Cattle,</td>
<td></td>
</tr>
<tr>
<td>18 bullocks</td>
<td>2,490</td>
</tr>
<tr>
<td>2 horses</td>
<td>410</td>
</tr>
<tr>
<td>1 Goat (Other Item)</td>
<td>7</td>
</tr>
<tr>
<td><strong>172</strong></td>
<td><strong>54,594</strong></td>
</tr>
</tbody>
</table>

251. The Blue gum trees at the Plantation and on Farm lands have not been appreciated this year as they have not sufficiently matured, and they stand practically at the same valuation as on 31st March 1929.

252. *Capital and Liabilities.*—In this section of the Balance Sheet, there are no items calling for remarks.
**IMPERIAL INSTITUTE OF ANIMAL HUSBANDRY AND DAIRYING, WELLINGTON.**

**253. Summarised Balance Sheet as at 31st March 1930.**

<table>
<thead>
<tr>
<th>1928-1929</th>
<th>Capital and Liabilities</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td></td>
<td>Rs.</td>
</tr>
<tr>
<td>1,78,767 Government of India Capital Account</td>
<td>1,79,867</td>
<td></td>
</tr>
<tr>
<td>10,246 Sundry Creditors</td>
<td>-</td>
<td>9,939</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,89,013</strong></td>
<td><strong>1,89,806</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1928-1929</th>
<th>Property and Assets</th>
<th>1929-1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Fixed Assets</td>
<td>Rs.</td>
</tr>
<tr>
<td>10,669 Land at cost</td>
<td>-</td>
<td>10,919</td>
</tr>
<tr>
<td>85,022 Buildings (Depreciated value)</td>
<td>-</td>
<td>88,059</td>
</tr>
<tr>
<td>13,519 Plant and Machinery (Depreciated value)</td>
<td>-</td>
<td>11,644</td>
</tr>
<tr>
<td>54,125 Live Stock at valuation</td>
<td>-</td>
<td>54,594</td>
</tr>
<tr>
<td>9,518 Plantations</td>
<td>-</td>
<td>9,504</td>
</tr>
<tr>
<td>10,578 Consumable Stores, Spare Parts, Dairy Produce, etc.</td>
<td>-</td>
<td>9,347</td>
</tr>
<tr>
<td>4,440 Sundry Debtors</td>
<td>-</td>
<td>5,669</td>
</tr>
<tr>
<td>142 Cash</td>
<td>-</td>
<td>110</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,89,013</strong></td>
<td><strong>1,89,806</strong></td>
</tr>
</tbody>
</table>

*C. L. V. NAIDOO,*
Accountant, Imperial Institute of Animal Husbandry and Dairying, Wellington.

*E. G. WHITTICK,*
Superintendent, Imperial Institute of Animal Husbandry and Dairying, Wellington.

*A. RENGASWAMI IYER,*
Assistant Director of Commercial Audit, Madras.
## APPENDIX TO THE APPROPRIATION ACCOUNTS OF THE

### 254. Summarised Trading and Profit and Loss Account for the year ending 31st March 1930.

<table>
<thead>
<tr>
<th>Particulars of Receipts</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Rs.</td>
<td>31,751</td>
<td>77,206</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commerical Activities</th>
<th>Rs.</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>30,983</td>
<td>65,984</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education and Research</th>
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<tbody>
<tr>
<td>Total</td>
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### 1928-29:

<table>
<thead>
<tr>
<th>Particulars of Expenditure</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>42,748 Feed of Cattle, Rent of Land, Cultiva.</td>
<td>7,825</td>
</tr>
</tbody>
</table>

### 1929-30:

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<thead>
<tr>
<th>Particulars of Expenditure</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>42,748 Feed of Cattle, Rent of Land, Cultiva.</td>
<td>7,582</td>
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<table>
<thead>
<tr>
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<td>6,321</td>
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<td>2,463</td>
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### 1928-29:

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<tr>
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<tbody>
<tr>
<td>1,054</td>
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<th>Particulars of Expenditure</th>
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**Statement I.—Balances.**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Balance on 1st April 1929</td>
<td>54,125</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Add—Receipts (Statement II)</td>
<td>14,430</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>68,555</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Deduct—Issues (Statement III)</td>
<td>13,961</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>54,594</td>
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**Statement II.—Receipts.**

<table>
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<tbody>
<tr>
<td>By Cash Purchase</td>
<td>7,718</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>&quot; Transfer from Other Farms</td>
<td>1,882</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>&quot; Increase in value through revaluation</td>
<td>4,830</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,430</td>
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<td>0</td>
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**Statement III.—Issues.**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Sales (Value of Animals condemned and sold)</td>
<td>6,315</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>&quot; Deaths</td>
<td>2,335</td>
<td>14</td>
<td>0</td>
</tr>
<tr>
<td>&quot; Decrease due to Revaluation</td>
<td>5,330</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>&quot; Elimination of Fractions of a Rupee</td>
<td>0</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,061</td>
<td>4</td>
<td>0</td>
</tr>
</tbody>
</table>

Name of the Agency employed for the Verification and Revaluation.

W. H. HARRISON, D.Sc.,
Officiating Director, Imperial Institute of Agricultural Research, Pusa.

C. L. F. NAIDU,
Accountant.

E. G. WHITTICK,
Superintendent, Imperial Institute of Animal Husbandry and Dairying, Wellington.

A. RENGASWAMI IYER,
Assistant Director of Commercial Audit, Madras Circle.
IMPERIAL INSTITUTE OF ANIMAL HUSBANDRY AND DAIRYING, BANGALORE.


256. The working of the year showed a net loss of Rs. 12,765 under Commercial activities as against a loss of Rs. 3,557 in 1928-29. This is due to various factors, i.e.,

(1) Decrease in valuation of livestock at end of year and loss due to condemnation and deaths of cattle.

(2) Reduction in the selling prices of milk which had its full effect during the whole year.

(3) The year under review being a rest year for coconut trees the receipts for the period under miscellaneous income were less than previous year by Rs. 4,500 which is the normal amount realised when the trees are leased.

257. The quantity of milk available for disposal during the year was 38,922 lbs. more than that of 1928-29 and 75,653 lbs. over that of 1927-28. Of the increase over 1928-29, 13,136 lbs. went to increase the sales in milk and 23,237 lbs. went to increase the issue for separation. The sale of dairy milk as such is more economical than its conversion and the increase in the quantity of milk converted also accounts to some extent for the increase in the loss of the year. More separated milk was actually fed to calves. This extra quantity was fed during the months of December 1929 to March 1930 when surplus milk was being produced and for which there was no sale. During the previous 8 months milk was being purchased for feeding the calves in order to meet the demands for dairy milk. The number of animals milked daily and the average yield per animal are the important factors in meeting the demand for milk and, the following figures are of interest in this connection:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td>184</td>
<td>198</td>
<td>138</td>
<td>110</td>
</tr>
<tr>
<td>Strength of milking herd at close of year</td>
<td>39,443</td>
<td>35,245</td>
<td>22,016</td>
<td>32,525</td>
</tr>
<tr>
<td>Number of animals milked during the year</td>
<td>419,774</td>
<td>490,123</td>
<td>423,095</td>
<td>345,851</td>
</tr>
<tr>
<td>Milk yield for the year</td>
<td>13-2</td>
<td>13-3</td>
<td>13-2</td>
<td>13-4</td>
</tr>
</tbody>
</table>

258. The quantity of milk available for sale, the quantity sold, and the quantities issued for conversion are given in the table below:

<table>
<thead>
<tr>
<th>Net quantity available for sale</th>
<th>502,731</th>
<th>463,827</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity sold</td>
<td>365,270</td>
<td>350,140</td>
</tr>
<tr>
<td>Percentage sold to that available for sale</td>
<td>72-36%</td>
<td>75-40%</td>
</tr>
<tr>
<td>Issues to cream and butter</td>
<td>1,24,369</td>
<td>1,91,032</td>
</tr>
<tr>
<td>Percentage to that available for sale</td>
<td>24-72%</td>
<td>21-78%</td>
</tr>
<tr>
<td>Issues to cheese manufacture</td>
<td>14,016</td>
<td>12,000</td>
</tr>
<tr>
<td>Percentage to that available for sale</td>
<td>2-90%</td>
<td>2-59%</td>
</tr>
</tbody>
</table>
As the aim of the dairy is to dispose of whole milk if possible, after due regard is given to the fact that calves require a certain quantity of fresh or separated milk, the increase in quantity of milk converted into cream, etc., was due to the increased quantity of milk received from the herd in the last 4 months, without any outlet for its sale. In consequence for those months (December to March) 23,000 lbs. of separated milk surplus to the ration requirements of calves were either fed to stock, sold, or wasted, although the average monthly number of milk fed calves had risen from 57 in the 2nd half of 1928-29 to 65 for the whole year 1929-30.

259. The following are details of the condemnations and casualties:

<table>
<thead>
<tr>
<th>Condemnations and sales</th>
<th>No.</th>
<th>Value</th>
<th>Deaths</th>
<th>No.</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cows</td>
<td>20</td>
<td>7,728</td>
<td></td>
<td>8</td>
<td>900</td>
</tr>
<tr>
<td>Buffaloes</td>
<td>1</td>
<td>350</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cattle, young stock and calves—</td>
<td>52</td>
<td>1,580 Including 51 young animals of no book value.</td>
<td>23</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>7</td>
<td>110</td>
<td></td>
<td>31</td>
<td>180</td>
</tr>
<tr>
<td>Buffal young stock—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bulls</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>1</td>
<td>30</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Cow bulls</td>
<td>1</td>
<td>150</td>
<td>1 Ayrshire</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td>Buffalo bulls</td>
<td>1</td>
<td>340</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bullocks</td>
<td>3</td>
<td>266</td>
<td>2</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>Ponies</td>
<td></td>
<td></td>
<td>1</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10,574</td>
<td></td>
<td><strong>2,890</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The sales of cattle invariably resulted in heavy losses but this is due to unprofitable animals sold being cast for faults such as physical deformity, blind teats, old age, etc.

260. The total expenditure for the year under review is almost the same as that of the preceding year, but is Rs. 9,655 over that for the year 1927-28. The expenditure under feed and upkeep of cattle which is the principal item, has increased to the extent of Rs. 5,327 over that of 1928-29 and Rs. 10,792 over that of the year 1927-28. It is explained that the increase in the number of livestock carried during the greater portion of the year under report was responsible for the increased expenditure under this head. The increase under salaries of officers was due to the payment of arrears to the Superintendent on account of the revision of his pay with retrospective effect.

The decrease under Establishment salaries is due to the transfer of senior incumbents to other offices whose places are now occupied by juniors in the early stages of time scales of pay.

The decrease under repairs and depreciation of buildings is due to the fact that in 1928-29, some special items of expenditure were included under this head.
The depreciation on Plant and Machinery also shows a decrease due to the fact that the values of some items of Plant and Machinery had been completely written off the books in the last year.

261. The loss of Rs. 12,765 does not take into account the following charges:

<table>
<thead>
<tr>
<th>Total</th>
<th>Education and Research</th>
<th>Commercial activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Per cent.</td>
</tr>
<tr>
<td>Audit fee</td>
<td>1,000</td>
<td>20</td>
</tr>
<tr>
<td>Direction charges</td>
<td>1,800</td>
<td>20</td>
</tr>
<tr>
<td>Leave and pensionary charges — Officer</td>
<td>2,427</td>
<td>60</td>
</tr>
<tr>
<td>Establishment</td>
<td>1,300</td>
<td>40</td>
</tr>
<tr>
<td>Interest</td>
<td>22,291</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29,984</strong></td>
<td><strong>11,038</strong></td>
</tr>
</tbody>
</table>

262. Allowance has however been made for these charges in working out the all-in-costs of the dairy products. The following table compiled by the Director of Commercial Audit shows the cost and selling prices for the current and previous years:

<table>
<thead>
<tr>
<th>Selling price</th>
<th>Cost per lb.</th>
<th>Cost price</th>
<th>Selling price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1922-29</td>
<td>Rs. A. F.</td>
<td>Rs. A. F.</td>
<td>Rs. A. F.</td>
</tr>
<tr>
<td>0 2 11-9</td>
<td>0 3 5-6</td>
<td>Farm milk including delivery charges</td>
<td></td>
</tr>
<tr>
<td>1 8 2-3</td>
<td>1 13 2-8</td>
<td>Butter including delivery charges</td>
<td></td>
</tr>
<tr>
<td>1 12 0</td>
<td>2 10 6-7</td>
<td>Cream including delivery charges and cost of cups</td>
<td></td>
</tr>
<tr>
<td>1 4 10-9</td>
<td>3 5 9-9</td>
<td>Cheese</td>
<td></td>
</tr>
</tbody>
</table>

The increase in production cost of milk is due mainly to the increase under the heads "feed and keep of cattle" and "condemnations and casualties of cattle". Owing to more favourable contracts for food stuffs for cattle since April 1930 there is every indication of a decrease in the production rate for milk this year.

The cost of cream has increased due to the increase in cost of milk and poorer outturn of cream, which again is due to the larger quantity of cows' milk separated when it was surplus.

The butter cost has also increased due to the increase in cost of cream and also due to poorer outturn during the year. During the year also the quantity of butter and cream purchased from other sources at favourable prices was less and this also contributed towards the increase in the average cost.

High cost of milk and the poorer outturn resulted in an increase in the cost of cheese.

Cheese is manufactured only for instructional purposes.
263. The following milk and herd statistics are of interest:

<table>
<thead>
<tr>
<th>Year ending 31st March</th>
<th>Year ending 31st March</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1930</td>
</tr>
<tr>
<td>Cows</td>
<td>Buffaloes</td>
</tr>
<tr>
<td>Closing stock of milking herd</td>
<td>184</td>
</tr>
<tr>
<td>Number of animals milked during the year</td>
<td>39,443</td>
</tr>
<tr>
<td>Yield of milk during the year lbs.</td>
<td>5,19,774</td>
</tr>
<tr>
<td>Average yield per animal per day</td>
<td>13-2</td>
</tr>
<tr>
<td>Issues to farm stock</td>
<td>68,671</td>
</tr>
<tr>
<td>Loss in handling</td>
<td>8,306-10</td>
</tr>
<tr>
<td>Percentage of loss in handling, etc., to total opening balance receipts and purchases</td>
<td>1-43</td>
</tr>
</tbody>
</table>

264. The statistics relating to cows and milk production and sales have been dealt with in the preceding paragraphs. The average yield of cows has decreased to some extent as compared with the preceding year. A larger number of dry cows during the year increased the unproductive expenditure on account of their feed and keep. Although the average yield of Buffaloes increased by 3-1 lbs. per animal per day over that of the preceding year, the total quantity of outturn was only 7,015 lbs. more than the preceding year because the number of Buffaloes is small. Hence, the financial effect of the increase in the yield of Buffaloes was not perceptible.

265. The following is a review of the Balance sheet, property and assets.

The additions of Rs. 1,319-15 represent mainly further expenditure on the cattle shed which was partly completed in the previous year and the cost of electric installation in the new quarters for the supervisor. The increase under plant and machinery is chiefly due to the purchase of a new milk cart, electric pumping set, Milwaukee Bottle Filler and Capper and a 26 gallon cheddar cheese vat. Depreciation has been written off at rates approved by the Government of India.

The livestock was verified and valued on 19th March 1930 by the Director of the Imperial Institute of Agricultural Research, Pusa, who is the administrative head of the Institute. There was a net increase of 13 cows to the milking herd.

266. Sundry debtors.—A sum of Rs. 47-10 was written off under the sanction conveyed by the Government of India. The Book debits shown here have all been recovered subsequently except three items amounting to Rs. 29-0-3 of which Rs. 15 is due from a student and is outstanding since December 1928. A credit balance of Rs. 5-5-2 is being carried forward in the account with the Controller of Military Accounts, Madras District. This represents the total of sundry balances as a result of rounding off.

267. Liabilities.—Unredeemed coupons with customers Rs. 1,091-0-3 the amount represents the balance of coupons with the customers
awaiting redemption. Included in this figure is an amount of Rs. 99-12-6 representing the value of coupons issued prior to 1st January 1927 and are thus over three years old now. At present there is no limit of time within which a coupon can be presented. At the recent audit it was pointed out for consideration whether a period cannot be fixed up to which the coupons may be held to be current, say three years or any less period. If this is done, it will facilitate the closing and reconciliation of the coupon accounts. Out of the increase in the capital during the year, i.e., Rs. 14,301 was due to the purchase of live stock.

Section II.—Remarks by the Director of Commercial Audit.

268. It was noticed that a share of travelling allowance and other allowances incurred entirely on account of educational activities had in some cases been debited to the commercial activities. Receipts and expenditure relating solely to one class of activity should be correctly classified as pertaining to that class and accounted for accordingly.

269. The sales of adult stocks in certain cases during the year realized prices far below the book values and the point has been specially brought to the notice of the authorities concerned for consideration whether the present annual valuations of livestock by the Director of Agricultural Institute, Pusa are not generally above market rates.

<table>
<thead>
<tr>
<th>Details</th>
<th>1929-30 Education and Research</th>
<th>Commercial</th>
<th>Combined effect</th>
<th>1928-29 Education and Research</th>
<th>Commercial</th>
<th>Combined effect</th>
<th>1927-28 Education and Research</th>
<th>Commercial</th>
<th>Combined effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total sales</td>
<td></td>
<td>1,03,545</td>
<td>1,03,719</td>
<td>1,03,963</td>
<td>1,04,144</td>
<td></td>
<td>1,02,974</td>
<td>1,03,133</td>
<td></td>
</tr>
<tr>
<td>Net Profit or Loss (—£) (excluding * indirect charges)</td>
<td>37,704</td>
<td>-12,765</td>
<td>-60,469</td>
<td>38,364</td>
<td>-3,557</td>
<td>-41,921</td>
<td>34,504</td>
<td>-1,698</td>
<td>-35,602</td>
</tr>
<tr>
<td>Net Profit or Loss (—£) (including * indirect charges)</td>
<td>49,642</td>
<td>-30,811</td>
<td>80,453</td>
<td>48,709</td>
<td>-19,485</td>
<td>-43,194</td>
<td>43,532</td>
<td>-15,232</td>
<td>-58,804</td>
</tr>
<tr>
<td>Capital</td>
<td></td>
<td>3,17,609</td>
<td></td>
<td>3,16,204</td>
<td></td>
<td></td>
<td>2,97,730</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of Net Profit or Loss (—£) (excluding * indirect charges) on Capital</td>
<td>11-86</td>
<td>-4-02</td>
<td>-15-88</td>
<td>12-13</td>
<td>-1-12</td>
<td>-13-25</td>
<td>11-58</td>
<td>-3-6</td>
<td>-11-93</td>
</tr>
<tr>
<td>Percentage of Net Profit or Loss (—£) (including * indirect charges) on Capital</td>
<td>15-62</td>
<td>-9-70</td>
<td>-25-32</td>
<td>15-40</td>
<td>-6-16</td>
<td>-21-56</td>
<td>14-62</td>
<td>-5-12</td>
<td>19-75</td>
</tr>
</tbody>
</table>

*Audit Fees.
Direction charges.
Leave and Pensionary charges.
Interest.
### Imperial Institute of Animal Husbandry and Dairying, Bangalore

#### 271. Summarised Balance Sheet as at 31st March 1930

<table>
<thead>
<tr>
<th>Capital and Liabilities</th>
<th>1929-30 Analysis</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,352,182</strong></td>
<td><strong>3,352,182</strong></td>
</tr>
<tr>
<td>Capital and Liabilities</td>
<td><strong>3,12,889</strong></td>
<td><strong>3,12,889</strong></td>
</tr>
<tr>
<td>Government of India</td>
<td><strong>3,12,889</strong></td>
<td><strong>3,12,889</strong></td>
</tr>
<tr>
<td>Unsecured creditors</td>
<td><strong>1,4,993</strong></td>
<td><strong>1,4,993</strong></td>
</tr>
<tr>
<td>Sundry creditors</td>
<td><strong>1,4,993</strong></td>
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</tr>
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</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Property and Assets</th>
<th>Total</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td><strong>22,582</strong></td>
<td><strong>22,582</strong></td>
</tr>
<tr>
<td>Land at cost</td>
<td><strong>1,67,31,47</strong></td>
<td><strong>1,67,31,47</strong></td>
</tr>
<tr>
<td>Buildings (depreciated value)</td>
<td><strong>23,933</strong></td>
<td><strong>23,933</strong></td>
</tr>
<tr>
<td>Plant and machinery (depreciated)</td>
<td><strong>36,363</strong></td>
<td><strong>36,363</strong></td>
</tr>
<tr>
<td>Total</td>
<td><strong>26,805</strong></td>
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<td>Total</td>
<td><strong>26,805</strong></td>
<td><strong>26,805</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property and Assets</th>
<th>Total</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td><strong>22,582</strong></td>
<td><strong>22,582</strong></td>
</tr>
<tr>
<td>Land at cost</td>
<td><strong>1,67,31,47</strong></td>
<td><strong>1,67,31,47</strong></td>
</tr>
<tr>
<td>Buildings (depreciated value)</td>
<td><strong>23,933</strong></td>
<td><strong>23,933</strong></td>
</tr>
<tr>
<td>Plant and machinery (depreciated)</td>
<td><strong>36,363</strong></td>
<td><strong>36,363</strong></td>
</tr>
<tr>
<td>Total</td>
<td><strong>26,805</strong></td>
<td><strong>26,805</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property and Assets</th>
<th>Total</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td><strong>22,582</strong></td>
<td><strong>22,582</strong></td>
</tr>
<tr>
<td>Land at cost</td>
<td><strong>1,67,31,47</strong></td>
<td><strong>1,67,31,47</strong></td>
</tr>
<tr>
<td>Buildings (depreciated value)</td>
<td><strong>23,933</strong></td>
<td><strong>23,933</strong></td>
</tr>
<tr>
<td>Plant and machinery (depreciated)</td>
<td><strong>36,363</strong></td>
<td><strong>36,363</strong></td>
</tr>
<tr>
<td>Total</td>
<td><strong>26,805</strong></td>
<td><strong>26,805</strong></td>
</tr>
</tbody>
</table>
## Analysis

### Net Expenditure

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Stock of Dairy Produce</td>
<td>1,965</td>
<td>1,412</td>
<td>1,412</td>
</tr>
<tr>
<td>Purchase of Dairy Produce including freight.</td>
<td>24,848</td>
<td>24,848</td>
<td>24,848</td>
</tr>
<tr>
<td>Feed of Cattle, Rent of Land and cultivation Ice, suit, fuel, light, contingencies, etc.</td>
<td>73,177</td>
<td>15,419</td>
<td>61,643</td>
</tr>
<tr>
<td>Pay of officers</td>
<td>8,280</td>
<td>5,477</td>
<td>3,653</td>
</tr>
<tr>
<td>Pay of Establishment</td>
<td>27,908</td>
<td>10,735</td>
<td>16,102</td>
</tr>
<tr>
<td>Travelling-Allowance and other allowances</td>
<td>2,045</td>
<td>1,426</td>
<td>951</td>
</tr>
<tr>
<td>Rent and repairs to Buildings</td>
<td>4,584</td>
<td>1,036</td>
<td>1,553</td>
</tr>
<tr>
<td>Repairs to Plant and Machinery Depreciation</td>
<td>2,512</td>
<td>1,852</td>
<td>1,234</td>
</tr>
<tr>
<td>Buildings</td>
<td>8,007</td>
<td>2,899</td>
<td>4,348</td>
</tr>
<tr>
<td>Cattle including casualties, condemnations, etc.</td>
<td>14,237</td>
<td>3,887</td>
<td>10,550</td>
</tr>
<tr>
<td>Plant and Machinery including transfers, sales, etc.</td>
<td>4,905</td>
<td>2,302</td>
<td>1,468</td>
</tr>
<tr>
<td>Bad debts written off</td>
<td>49</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td>Book value of Plant and Machinery sold</td>
<td>278</td>
<td>278</td>
<td>278</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,72,737</strong></td>
<td><strong>1,78,011</strong></td>
<td><strong>44,924</strong></td>
</tr>
</tbody>
</table>

### Details of Indirect Charges not included in the above accounts

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit fee</td>
<td>1,000</td>
<td>20</td>
<td>200</td>
<td>80</td>
<td>200</td>
<td>80</td>
</tr>
<tr>
<td>Direction charges</td>
<td>1,800</td>
<td></td>
<td>1,800</td>
<td></td>
<td>1,800</td>
<td></td>
</tr>
<tr>
<td>Leave and Pension Contribution</td>
<td>1,977</td>
<td>60</td>
<td>1,516</td>
<td>40</td>
<td>1,516</td>
<td>40</td>
</tr>
<tr>
<td>Officers</td>
<td>1,321</td>
<td>40</td>
<td>546</td>
<td>60</td>
<td>546</td>
<td>60</td>
</tr>
<tr>
<td>Establishment</td>
<td>20,175</td>
<td></td>
<td>9,316</td>
<td></td>
<td>9,316</td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>29,984</td>
<td></td>
<td>11,038</td>
<td></td>
<td>18,046</td>
<td></td>
</tr>
</tbody>
</table>

## Analysis

### Net Receipts

<table>
<thead>
<tr>
<th>Particulars of Receipts</th>
<th>1928-29: Rs.</th>
<th>2029-30: Rs.</th>
<th>1928-29: Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of Dairy Produce</td>
<td>1,02,238</td>
<td>1,02,848</td>
<td>1,02,848</td>
</tr>
<tr>
<td>- Sale of grain and fodder</td>
<td>-907</td>
<td>174</td>
<td>697</td>
</tr>
<tr>
<td>- Miscellaneous Receipts</td>
<td>7,302</td>
<td>731</td>
<td>2,922</td>
</tr>
<tr>
<td>- Fees from students</td>
<td>3,619</td>
<td>3,478</td>
<td>3,478</td>
</tr>
<tr>
<td>- Sale and transfer of Dairy Cattle</td>
<td>1,770</td>
<td>621</td>
<td>2,484</td>
</tr>
<tr>
<td>- Sale and transfer of Draught Cattle</td>
<td>107</td>
<td>79</td>
<td>79</td>
</tr>
<tr>
<td>- Sale of Machinery</td>
<td>13</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>- Appreciation on Cattle</td>
<td>12,415</td>
<td>2,483</td>
<td>9,932</td>
</tr>
<tr>
<td>- Closing Stock of Dairy Produce</td>
<td>1,089</td>
<td>1,080</td>
<td></td>
</tr>
<tr>
<td>Loss as detailed below</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net charges to Education and Research</td>
<td>50,469</td>
<td>37,704</td>
<td>12,765</td>
</tr>
</tbody>
</table>

| Loss on commercial activities            | 3,557        |              |              |

**Total**

| 1,78,011 | 45,204 | 1,32,807 |
273. Stores account for the animals belonging to the Imperial Dairy Institute, Bangalore for 1929-30.

<table>
<thead>
<tr>
<th>Statement I.—Balances.</th>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance on 1st April 1929</td>
<td>79,496</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Receipts (Statement II)</td>
<td>26,714</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,06,211</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Issues (Statement III)</td>
<td>19,436</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Balance on 31st March 1930</td>
<td>86,775</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statement II.—Receipts.</th>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>To cash purchase</td>
<td>14,300</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>To increase in value through revaluation</td>
<td>12,415</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>26,715</td>
<td>15</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statement III.—Issues.</th>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>By sales</td>
<td>10,574</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>By deaths</td>
<td>2,890</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>By decrease in value through revaluation</td>
<td>3,972</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>19,439</td>
<td>15</td>
<td>0</td>
</tr>
</tbody>
</table>

Name of agency employed for verification and revaluation:—
The Director, Imperial Institute of Agricultural Research, Puss.

A. D. MANICKAvelu,
Accountant.

A. Lamb, Superintendent,
Imperial Institute of Animal Husbandry and Dairying,
Bangalore.

A. Rengaswami Iyer,
Assistant Director of Commercial Audit,
Madras.

IMPERIAL CATTLE BREEDING FARM, KARNAL.


274. The accounts maintained on the farm continue to be kept largely on the commercial system followed by the Military Dairy Farms prior to the taking over of the farm by this Department. The figures appearing in the books of the farm have been duly reconciled with those appearing in the books of the Pay and Accounts Officer, Survey of India, Calcutta.

275. The activities of the farm are two-fold, viz., (1) Cattle Breeding and Dairying and (2) Cultivation. All activities relating to Cattle Breeding and Dairying are "Educational and Research," while those relating to cultivation are wholly commercial. In the compilation of the accounts of the two activities,
actual expenses have been shown under the corresponding heads of activities, and other expenses which cannot be directly allocated have been distributed generally in the proportion of "Feed" charges of the two branches.

276. The gross and net profits relating to the commercial side (Cultivation) for the year 1929-30 compare with those for 1928-29, as shown below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Profit</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929-30</td>
<td>65,220</td>
<td>42,460</td>
</tr>
<tr>
<td>1928-29</td>
<td>77,466</td>
<td>51,402</td>
</tr>
</tbody>
</table>

Percentage of decrease:

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage of decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929-30</td>
<td>16%</td>
</tr>
<tr>
<td>1928-29</td>
<td>17%</td>
</tr>
</tbody>
</table>

This small decrease both under gross and net profits in 1929-30 as compared with the figures for 1928-29, is attributable to a rise in direct charges, which although compensated by a rise in sales, is further supplemented by a small fall in the value of standing crops on 31st March 1930. It may however be added that as compared with the results for the year 1927-28 the increase both under gross and net profits during the year under report, is appreciable.

The percentage of total indirect charges on gross profit on the cultivation side for 1929-30 was 42 against 33 in 1928-29.

277. Sales of grain and fodder during 1929-30 and 1928-29 and the value of standing crops at the end of each year were as below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Value of standing crops</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929-30</td>
<td>53,428</td>
<td>47,125</td>
</tr>
<tr>
<td>1928-29</td>
<td>44,571</td>
<td>50,333</td>
</tr>
</tbody>
</table>

The increase on the aggregate under these heads during 1929-30 as compared with 1928-29 is due to a better outturn of crops in 1929-30.

278. Grain and fodder produced by the cultivation side and milk yielded by the Dairy are both used for feeding cattle whether draught or dairy cattle. Credit has been afforded in the Departmental Trading and Profit and Loss account to the respective sides for the total of these commodities supplied for feed purposes and the actual consumption has been charged off against the activities concerned. The credits and debits to the respective sides during the years 1929-30 and 1928-29 in connection with feed of cattle are set out in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Commercial</th>
<th>Education and Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929-30</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Grain and Fodder</td>
<td>89,473</td>
<td>16,745</td>
</tr>
<tr>
<td>Milk, etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>80,473</td>
<td>16,745</td>
</tr>
<tr>
<td></td>
<td>64,649</td>
<td>15,551</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Commercial</th>
<th>Education and Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>1928-29</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Grain and Fodder</td>
<td>13,019</td>
<td>67,454</td>
</tr>
<tr>
<td>Milk, etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>13,019</td>
<td>84,199</td>
</tr>
<tr>
<td></td>
<td>11,655</td>
<td>68,546</td>
</tr>
</tbody>
</table>
279. The ratio of the feed on the dairy side to feed on the cultivation side during 1929-30 remained approximately the same as in 1928-29, viz., 6 : 1. The cost of feeding under Cattle Breeding and Dairying during 1929-30 was Rs. 84,199 as against Rs. 68,546 in 1928-29. The substantial increase in the cost of feeding was mainly due to:

1. Increase in the number of animals.
2. Want of grazing grass due to shortage of rains. The animals had to be stall fed.
3. Outbreak of Foot and Mouth disease which necessitated the issue of rations at a scale higher than the normal.
4. Paying higher rates for contracted purchases of grains although the market rates were lower in some cases.

280. The ratio of "feed" charges referred to in paragraph 275 above was 10 : 1 approximately during 1929-30 as against 9 : 1 approximately in 1928-29; the working out of this ratio is given below:

<table>
<thead>
<tr>
<th>Cattle Breeding and Dairying.</th>
<th>Cultivation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cows</td>
<td>Young Stock</td>
</tr>
<tr>
<td>On 31st March 1929</td>
<td>100</td>
</tr>
<tr>
<td>On 31st March 1930</td>
<td>205</td>
</tr>
<tr>
<td>Total</td>
<td>305</td>
</tr>
<tr>
<td>Mean</td>
<td>198</td>
</tr>
</tbody>
</table>

281. The selling rates of the dairy produce during the year 1929-30 were as follows:

- Milk from Rs. 0-1-0 to Rs. 0-1-6 per lb.
- Butter from Rs. 0-14-0 to Rs. 1-6-0 per lb.
- Cream at Rs. 1-0-0 per lb.
- Ghee at Rs. 0-14-0 per lb.
- Separated milk at Rs. 0-0-6 per lb.
- Cheese from Rs. 1-4-0 to Rs. 1-8-0 per lb.

282. During the year ended 31st March 1930 the total yield of milk from cows and buffaloes amounted to 4,83,007 lb. The average yield per cow per day was 5 lb. 13 oz.; while that per buffalo was 10 lb. 14 oz. The percentage of sales of fresh milk to the total yield was about 10. It is realised that the sale of fresh milk is the most profitable method of disposing of the products of the dairy, but repeated endeavours to find a market for the sale of fresh milk as such at the sale rate sanctioned by Government, viz., Rs. 0-1-0 per lb. have brought no results. The question of proposing to Government a reduced sale rate, of the fresh milk, surplus to the exigencies of Education and Research, during the next years, viz., 1931-32, is being gone into. The substantial portion of the total yield of milk is separated not for cream making, but for exigencies of Research and Education.
The ratio of milk to cream remained unchanged at about 11:1.

283. Sales of surplus and condemned animals during the two years 1929-30 and 1928-29 were as follows:—

<table>
<thead>
<tr>
<th>Year ended 31st March</th>
<th>1930</th>
<th>1929</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Condemned.</td>
<td>Surplus</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Book value</td>
<td>7,527</td>
<td>2,080</td>
</tr>
<tr>
<td>Value realised</td>
<td>1,559</td>
<td>2,007</td>
</tr>
<tr>
<td>Difference being profit or loss (—),</td>
<td>—5,968</td>
<td>+527</td>
</tr>
</tbody>
</table>

**Balance Sheet.**

284. Buildings.—The value of the buildings on 1st April 1929 was Rs. 96,296. Additions during the year 1929-30 amounted to Rs. 13,203; and depreciation written off the asset account amounting to Rs. 1,157 has been credited to the asset account and charged to the profit and loss account.

285. Plant and Machinery.—The value of Plant and Machinery on 1st April, 1929 was Rs. 50,553. The following items were added:—

1. Erection of Cattle-weighing bridge
2. H-3 Climax Chaffcutter
3. L. H-3 Horse shoe moulder bullock draught
4. Water supply with overhead tank
5. Steam Engine with D. C. Motor complete
6. Marshall’s thrasher with straw braising attachment complete
7. " Rushton " Tractor complete with accessories

Total: 30,205

The total depreciation for the year amounted to Rs. 5,075 and the amount written off the asset account on account of Plant and Machinery condemned during the year was Rs. 998. The balance value of Plant and Machinery on the farm on 31st March 1930 therefore amounted to Rs. 74,765.

286. Livestock.—The value of Livestock on the farm on the 1st April, 1929 was Rs. 82,641. Purchases during the year 1929-30 amounted to Rs. 7,146. Seven cows valued at Rs. 1,909, three young animals and 85 calves valued at Rs. 380, 15 sheep and goat valued at Rs. 51 died of natural causes. One bullock valued at Rs. 50, and one calf were destroyed, the former for "Hoven" and the latter for broken leg. The total loss due to casualties amounted to Rs. 2,390, sales of condemned livestock worth Rs. 7,527 realized Rs. 1,559, resulting in a loss of Rs. 5,968, while the sales of breeding stock worth Rs. 2,080 realized Rs. 2,607 giving a profit of Rs. 527. The livestock were revalued towards the end of January 1930, by the Officiating Director, Imperial Institute of Agricultural Research, Fussa, and this revaluation resulted in a net appreciation of Rs. 7,673 in respect of Dairy Cattle and a depreciation of Rs. 1,799 in respect of draught cattle.
287. *Sundry Stores.*—The details of the closing stock on 31st March, 1930, relating to (a) Cattle Breeding and (b) Cultivation were as below:—

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total</th>
<th>Cattle Breeding and Dairying</th>
<th>Cultivation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Grain and Fodder</td>
<td>12,587</td>
<td></td>
<td>12,587</td>
</tr>
<tr>
<td>Dairy Produce</td>
<td>2,544</td>
<td>2,544</td>
<td></td>
</tr>
<tr>
<td>Ice, Salt, etc.</td>
<td>2,173</td>
<td>2,173</td>
<td></td>
</tr>
<tr>
<td>Cultivation Stores</td>
<td>288</td>
<td></td>
<td>288</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>10,428</td>
<td>9,480</td>
<td>948</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28,022</strong></td>
<td><strong>14,199</strong></td>
<td><strong>13,823</strong></td>
</tr>
</tbody>
</table>

The surpluses and deficits revealed during the course of verification of stores, carried out by the Audit Assistant to the Director, Imperial Institute of Agricultural Research, Pusa, were duly brought to account during the year 1929-30 under the orders of the Imperial Dairy Expert. The book values as certified by the Superintendent of the farm, have been incorporated in the accounts.

288. *Standing Crops.*—The value of crops standing on 31st March, 1930 was calculated on the basis of actual realizations in the case of crops which were harvested in May and June 1930; and on the basis of market sale rate, which was lower than the cost of production, in case of crops which although harvested were not yet sold. Necessary deductions were made to get at their value on 31st March, 1930.

289. *Sundry debtors.*—The balance outstanding against a certain company on 31st March, 1929 was Rs. 916-7. During the year 1929-30 Rs. 200 were paid towards liquidation of this debt leaving a balance of Rs. 716-7 on 31st March, 1930, still payable by the company. The sum of Rs. 907-9-9, which was due since long from another debtor company has been sanctioned to be written off the books as a bad debt by the Government of India, in November, 1929. The rest of the debtors are considered good.

290. *Government Capital Account.*—This account is built up as follows:—

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Balance on 1st April, 1929</td>
<td>5,05,885</td>
</tr>
<tr>
<td>(b) Cash receipts from Government during 1929-30</td>
<td>1,50,879</td>
</tr>
<tr>
<td>(c) Book transfers and Credit adjustments during 1929-30</td>
<td>10,246</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,72,020</strong></td>
</tr>
<tr>
<td><em>(Less)</em></td>
<td></td>
</tr>
<tr>
<td>(d) Remittance to Treasury during the year</td>
<td>67,143</td>
</tr>
<tr>
<td>(e) Book transfers and debit adjustments</td>
<td>19,280</td>
</tr>
<tr>
<td><strong>86,423</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Balance on 31st March, 1930</strong></td>
<td><strong>5,85,597</strong></td>
</tr>
</tbody>
</table>

The amount of capital invested in the concern has therefore risen by Rs. 79,712. This increased capital has been employed mainly in increasing the value of buildings (Rs. 13,203), and of Plant and Machinery (Rs. 30,205); and partly in financing the deficit on the whole working of the farm including the Education and Research side.
SECTION II.—REMARKS BY THE DIRECTOR OF COMMERCIAL AUDIT.

291. Supplies of milk were made to certain persons not borne on the students' roll at the concession rate of Re. 0-1-3 per lb. permissible only to students. This irregularity was pointed out in audit and short recoveries were made and credited to Government.

292. A comparative statement of the outturn of the Farm under "Home" and "Batai" systems is given below:
### Comparative statement showing output of grain and green fodder under the Home and Batali systems for the years 1928-29 and 1929-30.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Home</td>
<td>3,153,110</td>
<td>165.5</td>
<td>2,620-20</td>
<td>129.5</td>
<td>..</td>
<td>..</td>
<td>2,790-20</td>
<td>170</td>
<td>acres</td>
<td>6,018,140</td>
<td>273.5</td>
<td>3,949.0</td>
<td>173.5</td>
</tr>
<tr>
<td>Average per acre</td>
<td>19,080 per acre</td>
<td>20.2 mds. per acre</td>
<td>..</td>
<td>2,370-20</td>
<td>222.5</td>
<td>22,604 lbs. per acre</td>
<td>22.7 mds. per acre</td>
<td>22 mds. per acre</td>
<td>17.5 mds. per acre</td>
<td>6,045</td>
<td>374</td>
<td>2,004</td>
<td>125.8</td>
</tr>
<tr>
<td>Batali</td>
<td>2,780,680</td>
<td>126 acres</td>
<td>4,129-20</td>
<td>256.5</td>
<td>..</td>
<td>..</td>
<td>2,370-20</td>
<td>222.5</td>
<td></td>
<td>17.7 mds. per acre</td>
<td>15.8 mds. per acre</td>
<td>20.4 mds. per acre</td>
<td>23.2 mds. per acre</td>
</tr>
</tbody>
</table>
The above shows that the outturn of grain under "Batai" system is generally much less than that under "Home". The Superintendent of the Farm agreed with the Audit Officer that some cases of illicit removal of produce before division had come to notice and that steps were being taken to prevent their recurrence. With the recent purchase of machinery like steam tractors and threshers at considerable cost it has been recommended in audit for consideration if the whole of the land could not be cultivated "home" and the "batai" system given up.

Note.—The land at this Farm is cultivated under three system, "Home," "Batai" and "Lease to Contractors". Cultivation of land by daily labour of the farm is "Home". Cultivation by tenants on the basis of the division of the actual produce between the Farm and the tenants is "Batai".

293. A large number of fuel and timber trees grow on the roads of the Farm and in the compound, but no value is shown in the Balance Sheet for them and no record is maintained. The necessity of maintaining proper accounts has been emphasised in audit.

294. For purposes of working out charges for Depreciation the life of the following buildings has been taken into account as 200 years:

1. Cook Houses.
2. New Milking Shed.
3. Milk recording room.

In these cases the assumption of a life of 75 to 100 years would appear to be more suitable and the point has been referred by Audit for consideration.

Compilation Register of Dairy Produce.

295. The following statement shows the average yield of milk of a cow and of a buffalo per day during half year under review as compared with the preceding half year ended 30th September 1929 and the corresponding half year ended 31st March 1929:

<table>
<thead>
<tr>
<th>Half year ended</th>
<th>No. of home cows in milk during the half year</th>
<th>No. of home buffaloes in milk during the half year</th>
<th>Total quantity of home cow milk received during the half year</th>
<th>Total quantity of milk received during the half year</th>
<th>Average yield of milk per cow per day</th>
<th>Average yield of milk per buffalo per day</th>
</tr>
</thead>
<tbody>
<tr>
<td>31st March 1929</td>
<td>22,134</td>
<td>4,145</td>
<td>1,01,283</td>
<td>2,24,681</td>
<td>8.0</td>
<td>124</td>
</tr>
<tr>
<td>20th September 1929</td>
<td>18,544</td>
<td>3,523</td>
<td>1,06,877</td>
<td>2,34,676</td>
<td>10.12</td>
<td>149</td>
</tr>
<tr>
<td>31st March 1929</td>
<td>17,007</td>
<td>3,334</td>
<td>1,39,109</td>
<td>2,86,232</td>
<td>9.17</td>
<td>184</td>
</tr>
</tbody>
</table>

From the above it will be noticed that the average yield of cows milk has decreased by about 1.5 lb. when compared with that of last half year whereas there has been a slight increase in the yield as compared with that of corresponding half year of the previous year. But the average yield of a buffalo has been steadily decreasing. The matter has been brought to the notice of the Superintendent of the Farm and the Imperial Dairy Expert for investigation.
<table>
<thead>
<tr>
<th>Details</th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Sales</td>
<td>20,074</td>
<td>33,428</td>
<td>73,502</td>
</tr>
<tr>
<td>Profit or Loss (—)</td>
<td>40,538</td>
<td>77,467</td>
<td>8,054</td>
</tr>
<tr>
<td>Gross Cost of Education and Research</td>
<td>230-80</td>
<td>122-07</td>
<td>25-09</td>
</tr>
<tr>
<td>Percentage of gross profit or gross cost of Education and Research on turnover</td>
<td>94,791</td>
<td>42,460</td>
<td>52,331</td>
</tr>
<tr>
<td>Net cost of Education and Research (excluding Indirect* charges)</td>
<td>116,029</td>
<td>27,846</td>
<td>88,183</td>
</tr>
<tr>
<td>Profit or Loss (—)</td>
<td>100,046</td>
<td>38,943</td>
<td>86,400</td>
</tr>
<tr>
<td>Net cost of Education and Research (including Indirect* charges)</td>
<td>585,597</td>
<td>506,885</td>
<td>424,449</td>
</tr>
<tr>
<td>Capital</td>
<td>16-18</td>
<td>7-23</td>
<td>8-93</td>
</tr>
<tr>
<td>Percentage of Net Profit or Loss (—) (excluding Indirect* charges) on Capital</td>
<td>10-77</td>
<td>7-70</td>
<td>12-07</td>
</tr>
<tr>
<td>Percentage of Net Profit or Loss (—) (including Indirect* charges) on Capital</td>
<td>10-81</td>
<td>4-76</td>
<td>15-03</td>
</tr>
</tbody>
</table>

* Supervision charges, Leave and Pensionary charges, Audit fees, Interest on capital.
**IMPERIAL CATTLE BREE**

**297. Balance Sheet As**

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>1929-30.</th>
<th>1928-29.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sundries Creditors—</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For salaries, wages, etc.</td>
<td>3,975</td>
<td>3,441</td>
</tr>
<tr>
<td>Travelling allowances</td>
<td>277</td>
<td></td>
</tr>
<tr>
<td>Purchases of stores</td>
<td>7,383</td>
<td>4,443</td>
</tr>
<tr>
<td>Livestock</td>
<td></td>
<td>49</td>
</tr>
<tr>
<td>Advance payments, etc.</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Sales Ledger credit balances</td>
<td>249</td>
<td></td>
</tr>
<tr>
<td>Water dues</td>
<td>3,441</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,325</td>
<td>7,940</td>
</tr>
<tr>
<td><strong>Reserve for Bad and doubtful debts</strong></td>
<td></td>
<td>908</td>
</tr>
<tr>
<td><strong>Permanent Advance</strong></td>
<td></td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Government Capital</strong></td>
<td></td>
<td>4,85,598</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>6,02,923</td>
</tr>
</tbody>
</table>

(Sd.) S. COX, Superintendent, Imperial Cattle Breeding Farm, Karnal.

(Sd.) ANUP CHAND, Accountant, Imperial Cattle Breeding Farm, Karnal.
**DING FARM, KARNAL.**

**AT 31ST MARCH 1930.**

<table>
<thead>
<tr>
<th>Assets</th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Land</td>
<td>89,359</td>
<td>89,359</td>
</tr>
<tr>
<td>Buildings</td>
<td>96,298</td>
<td>77,333</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>13,203</td>
<td>10,035</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,09,504</td>
<td>97,208</td>
</tr>
<tr>
<td><strong>Less—Depreciation written-off</strong></td>
<td>1,157</td>
<td>970</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>90,033</td>
<td>53,002</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>30,216</td>
<td>3,026</td>
</tr>
<tr>
<td></td>
<td>80,738</td>
<td>57,428</td>
</tr>
<tr>
<td><strong>Deduct—Depreciation written-off and</strong></td>
<td>6,053</td>
<td>6,875</td>
</tr>
<tr>
<td><strong>sales, etc.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>74,705</td>
<td>50,553</td>
</tr>
<tr>
<td>Livestock</td>
<td>83,063</td>
<td>82,649</td>
</tr>
<tr>
<td>Milk Cans</td>
<td>5,639</td>
<td>9,515</td>
</tr>
<tr>
<td><strong>Less—Depreciation written-off</strong></td>
<td>-3,685</td>
<td>3,856</td>
</tr>
<tr>
<td><strong>Less—Issues</strong></td>
<td>-337</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,637</td>
<td>5,639</td>
</tr>
<tr>
<td>Sundry stores</td>
<td>28,022</td>
<td>22,568</td>
</tr>
<tr>
<td>Standing Crops</td>
<td>47,125</td>
<td>50,333</td>
</tr>
<tr>
<td>Sundry Debtors</td>
<td>8,882</td>
<td>10,629</td>
</tr>
<tr>
<td>Cash in hand</td>
<td>282</td>
<td>122</td>
</tr>
<tr>
<td>Balance cash in hand—Imprast</td>
<td>716</td>
<td>1,504</td>
</tr>
<tr>
<td><strong>Add—Expenditure to be recouped</strong></td>
<td>1,284</td>
<td>2,000</td>
</tr>
<tr>
<td></td>
<td>2,000</td>
<td>496</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Profit and Loss Account—</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net accumulated deficiency to 31st</td>
<td>1,06,573</td>
<td>76,822</td>
</tr>
<tr>
<td>March 1929 and 31st March 1930.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Education and Research</td>
<td>94,791</td>
<td>82,127</td>
</tr>
<tr>
<td><strong>Deduct—Profit on Commercial</strong></td>
<td>-42,460</td>
<td>-51,402</td>
</tr>
<tr>
<td><strong>Add—Adjustment for 1927-28</strong></td>
<td></td>
<td>225</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,06,872</td>
</tr>
<tr>
<td></td>
<td>6,02,923</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,116,733</td>
<td></td>
</tr>
</tbody>
</table>

(Sd.) R. SIVARAMAKRISHNAN, Assistant Audit Officer,
Commercial Audit Branch,
### Comparative Departmental Trading and Profit and Loss Account

#### Imperial Cattle Breed

For the year ended 31st March 1930.  
For the year ended 31st March 1929.  

<table>
<thead>
<tr>
<th>Category</th>
<th>Education and Research</th>
<th>Commercial</th>
<th>Education and Research</th>
<th>Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle Breeding and Dairying</td>
<td>11,039</td>
<td>10,627</td>
<td>8,065</td>
<td>7,033</td>
</tr>
<tr>
<td>Cultivation.</td>
<td>50,333</td>
<td>37,504</td>
<td>31,632</td>
<td>27,114</td>
</tr>
<tr>
<td>Education and Research.</td>
<td>1,216</td>
<td>18,056</td>
<td>1,024</td>
<td>15,250</td>
</tr>
<tr>
<td>Feed and Upkeep of Cattle</td>
<td>84,199</td>
<td>13,019</td>
<td>68,546</td>
<td>11,653</td>
</tr>
<tr>
<td>Gross profit carried down</td>
<td>97,354</td>
<td>1,296,829</td>
<td>78,535</td>
<td>92,714</td>
</tr>
<tr>
<td>To cost of Education and Research brought down.</td>
<td>46,335</td>
<td>36,029</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>20,576</td>
<td>21,231</td>
<td>16,996</td>
<td>19,813</td>
</tr>
<tr>
<td>Repairs to Buildings</td>
<td>4,681</td>
<td>510</td>
<td>4,971</td>
<td>621</td>
</tr>
<tr>
<td>Plant and Machinery written-off</td>
<td>3,400</td>
<td>567</td>
<td>5,538</td>
<td>926</td>
</tr>
<tr>
<td>Heating and Lighting</td>
<td>847</td>
<td>451</td>
<td>6,285</td>
<td>699</td>
</tr>
<tr>
<td>Medical Stores</td>
<td>7,784</td>
<td>779</td>
<td>6,285</td>
<td>699</td>
</tr>
<tr>
<td>Travelling Allowances</td>
<td>1,351</td>
<td>155</td>
<td>768</td>
<td>85</td>
</tr>
<tr>
<td>Freight</td>
<td>1,603</td>
<td>201</td>
<td>3,034</td>
<td>409</td>
</tr>
<tr>
<td>Sundry Expenses</td>
<td>665</td>
<td>1,935</td>
<td>6,285</td>
<td>699</td>
</tr>
<tr>
<td>Casualties of livestock</td>
<td>1,351</td>
<td>1,051</td>
<td>1,174</td>
<td>133</td>
</tr>
<tr>
<td>Depreciation on Buildings</td>
<td>2,340</td>
<td>50</td>
<td>2,175</td>
<td>718</td>
</tr>
<tr>
<td>Condensation of Livestock</td>
<td>5,939</td>
<td>30</td>
<td>7,635</td>
<td>245</td>
</tr>
<tr>
<td>Depreciation on milk cans</td>
<td>337</td>
<td>39</td>
<td>7,635</td>
<td>245</td>
</tr>
<tr>
<td>Depreciation on Plant and Machinery</td>
<td>1,028</td>
<td>1,229</td>
<td>383</td>
<td>107</td>
</tr>
<tr>
<td>Depreciation on milk cans</td>
<td>4,333</td>
<td>722</td>
<td>5,700</td>
<td>950</td>
</tr>
<tr>
<td>Depreciation on livestock during the year</td>
<td>3,684</td>
<td>1,709</td>
<td>3,856</td>
<td>563</td>
</tr>
<tr>
<td>Net profit on Commercial</td>
<td>1,05,554</td>
<td>27,765</td>
<td>97,877</td>
<td>26,263</td>
</tr>
<tr>
<td>Indirect charges not included in the accounts are:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervision charges</td>
<td>900</td>
<td>900</td>
<td>2,372</td>
<td>2,372</td>
</tr>
<tr>
<td>Leave and Pensionary charges</td>
<td>2,342</td>
<td>2,417</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>Audit fees</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td>Interest on Capital</td>
<td>17,396</td>
<td>11,857</td>
<td>14,226</td>
<td>9,485</td>
</tr>
<tr>
<td>Total</td>
<td>21,238</td>
<td>14,614</td>
<td>17,919</td>
<td>12,457</td>
</tr>
</tbody>
</table>
## Ding Farm, Karnal

for the year ended 31st March, 1930, as compared with the year ended 31st 1929.

<table>
<thead>
<tr>
<th></th>
<th>For the year ended 31st March 1930</th>
<th>For the year ended 31st March 1929</th>
</tr>
</thead>
<tbody>
<tr>
<td>CattleBreeding and Dairyng.</td>
<td></td>
<td>CattleBreeding and Dairyng.</td>
</tr>
<tr>
<td>Cultivation.</td>
<td>20,074</td>
<td>63,428</td>
</tr>
<tr>
<td>Education and Research.</td>
<td></td>
<td>Commercial.</td>
</tr>
<tr>
<td>Commercial.</td>
<td></td>
<td>14,113</td>
</tr>
<tr>
<td></td>
<td></td>
<td>44,572</td>
</tr>
<tr>
<td>By Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>16,745</td>
<td>50,473</td>
</tr>
<tr>
<td></td>
<td>11,552</td>
<td>64,549</td>
</tr>
<tr>
<td>&quot; Ending Stocks.&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>14,200</td>
<td>13,823</td>
</tr>
<tr>
<td></td>
<td>11,941</td>
<td>10,627</td>
</tr>
<tr>
<td>&quot; Value of standing crops on 31st March.&quot;</td>
<td>47,125</td>
<td>50,332</td>
</tr>
<tr>
<td>&quot; Cost of Education and Research carried down.&quot;</td>
<td>46,335</td>
<td>36,929</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>97,354</td>
<td>1,94,849</td>
</tr>
<tr>
<td></td>
<td>1,19,019</td>
<td>41,606</td>
</tr>
<tr>
<td></td>
<td>51,019</td>
<td>1,70,181</td>
</tr>
<tr>
<td>By Gross profit on Cultivation brought down.</td>
<td>65,220</td>
<td>77,467</td>
</tr>
<tr>
<td>&quot; Miscellaneous receipts.&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,563</td>
<td>5,005</td>
</tr>
<tr>
<td></td>
<td>3,304</td>
<td>198</td>
</tr>
<tr>
<td>&quot; Profit on sale of young stock.&quot;</td>
<td>527</td>
<td>4,617</td>
</tr>
<tr>
<td>&quot; Appreciation in livestock during the year.&quot;</td>
<td>7,673</td>
<td>7,829</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10,763</td>
<td>70,225</td>
</tr>
<tr>
<td></td>
<td>15,750</td>
<td>77,665</td>
</tr>
<tr>
<td>By not cost of Education and Research during the year.</td>
<td>94,791</td>
<td>82,127</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,05,554</td>
<td>70,225</td>
</tr>
<tr>
<td></td>
<td>97,877</td>
<td>77,665</td>
</tr>
</tbody>
</table>
# IMPERIAL CATTLE BREED

## 299. Comparative Trading and Profit and Loss Account for the year ended

<table>
<thead>
<tr>
<th>Item</th>
<th>31st March 1930</th>
<th>31st March 1929</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Commencing Stocks</td>
<td>22,066</td>
<td>15,998</td>
</tr>
<tr>
<td>&quot; Value of standing crops on 1st April</td>
<td>50,333</td>
<td>27,114</td>
</tr>
<tr>
<td>&quot; Purchases of—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grain and Fodder</td>
<td>37,584</td>
<td>31,632</td>
</tr>
<tr>
<td>Ice, Salt, etc.</td>
<td>1,216</td>
<td>1,024</td>
</tr>
<tr>
<td>&quot; Cultivation Charges</td>
<td>18,086</td>
<td>15,280</td>
</tr>
<tr>
<td>&quot; Gross profit carried down</td>
<td>18,885</td>
<td>40,533</td>
</tr>
<tr>
<td></td>
<td>1,48,650</td>
<td>1,31,586</td>
</tr>
<tr>
<td>To Salaries, Wages, etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot; Repairs to Buildings</td>
<td>41,807</td>
<td>36,809</td>
</tr>
<tr>
<td>&quot; Repairs to Plant and Machinery</td>
<td>4,591</td>
<td>5,592</td>
</tr>
<tr>
<td>&quot; Heating and Lighting</td>
<td>3,907</td>
<td>6,484</td>
</tr>
<tr>
<td>&quot; Medical Stores</td>
<td>8,063</td>
<td>6,984</td>
</tr>
<tr>
<td>&quot; Travelling Allowances</td>
<td>1,706</td>
<td>851</td>
</tr>
<tr>
<td>&quot; Freight on Stores</td>
<td>1,864</td>
<td>3,443</td>
</tr>
<tr>
<td>&quot; Plant and Machinery written-off</td>
<td>665</td>
<td>2,123</td>
</tr>
<tr>
<td>&quot; Sundry Expenses</td>
<td>2,432</td>
<td>2,113</td>
</tr>
<tr>
<td>&quot; Casualties of Livestock</td>
<td>2,590</td>
<td>2,803</td>
</tr>
<tr>
<td>&quot; Condemnation of Livestock</td>
<td>5,969</td>
<td>7,880</td>
</tr>
<tr>
<td>&quot; Value of milk cans issued to Dairy</td>
<td>338</td>
<td></td>
</tr>
<tr>
<td>&quot; Depreciation of Buildings</td>
<td>1,157</td>
<td>976</td>
</tr>
<tr>
<td>&quot; Plant and Machinery</td>
<td>5,055</td>
<td>6,650</td>
</tr>
<tr>
<td>&quot; Milk Cans</td>
<td>3,684</td>
<td>3,856</td>
</tr>
<tr>
<td></td>
<td>85,183</td>
<td>86,648</td>
</tr>
</tbody>
</table>

Indirect charges not included in the accounts are:

- Supervision charges: 900
- Leave and Pensionary charges: 4,759
- Audit fees: 1,200
- Interest on capital: 23,993

Total indirect charges: 35,832

* Included in "Sales of Grain and Fodder";
ING FARM, KARNAL.

31st March 1929 as compared with the year ended 31st March, 1930.

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31st March 1930</th>
<th>Year ended 31st March 1929</th>
</tr>
</thead>
<tbody>
<tr>
<td>By Sales of—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grain and Fodder</td>
<td>49,793</td>
<td>44,571</td>
</tr>
<tr>
<td>Dairy Produce</td>
<td>20,015</td>
<td>14,033</td>
</tr>
<tr>
<td>Skins</td>
<td>80</td>
<td>81</td>
</tr>
<tr>
<td>&quot; Rent of land leased for cultivation</td>
<td>3,635</td>
<td>&quot;</td>
</tr>
<tr>
<td>&quot; Ending Stocks</td>
<td>28,022</td>
<td>22,568</td>
</tr>
<tr>
<td>&quot; Value of standing crops on 31st March</td>
<td>47,125</td>
<td>60,333</td>
</tr>
<tr>
<td></td>
<td>1,43,650</td>
<td>1,31,586</td>
</tr>
<tr>
<td>By Gross profit brought down</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot; Miscellaneous Receipts</td>
<td>18,885</td>
<td>40,538</td>
</tr>
<tr>
<td>&quot; Profit on Sale of young stock</td>
<td>7,565</td>
<td>3,502</td>
</tr>
<tr>
<td>&quot; Net appreciation of livestock during the year</td>
<td>5,874</td>
<td>7,266</td>
</tr>
<tr>
<td>&quot; Net deficiency for the year carried to Balance Sheet</td>
<td>52,331</td>
<td>30,723</td>
</tr>
<tr>
<td></td>
<td>85,185</td>
<td>86,548</td>
</tr>
</tbody>
</table>
### Summary of Store Account of the Animals belonging to the Imperial Cattle Breeding Farm, Karnal, for the period 1st April 1929 to 31st March 1930.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Balance on 1st April 1929 as per statement No. 1</td>
<td>Rs. 82,841.23</td>
</tr>
<tr>
<td>2</td>
<td>Add receipts as per statement No. II</td>
<td>Rs. 14,819.05</td>
</tr>
<tr>
<td>3</td>
<td>Total</td>
<td>Rs. 97,660.28</td>
</tr>
<tr>
<td>4</td>
<td>Deduct disposed off as per statement No. III</td>
<td>Rs. 13,797.08</td>
</tr>
<tr>
<td>5</td>
<td>Balance on 1st April 1930</td>
<td>Rs. 83,663.20</td>
</tr>
</tbody>
</table>

**Statement No. II.**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>To purchases</td>
<td>Rs. 7,145.14</td>
</tr>
<tr>
<td>7</td>
<td>To purchases from Government Farms (Book Transfer)</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>To increase in value through revaluation</td>
<td>Rs. 7,673.25</td>
</tr>
<tr>
<td>9</td>
<td>Total</td>
<td>Rs. 14,819.39</td>
</tr>
</tbody>
</table>

**Statement No. III.**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>By sales</td>
<td>Rs. 9,007.60</td>
</tr>
<tr>
<td>11</td>
<td>By deaths</td>
<td>Rs. 2,399.38</td>
</tr>
<tr>
<td>12</td>
<td>By decrease in value through revaluation</td>
<td>Rs. 1,799.70</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rs. 13,797.08</td>
</tr>
</tbody>
</table>

Name of Agency employed for the verification and revaluation: "Officiating Director, Imperial Institute of Agricultural Research, Pusa."

(Sd.) S. C. SEN, Asst. Audit Officer,  
N. I. Circle (Commercial).

(Sd.) F. E. TRAYNOR, Superintendent,  
Imperial Cattle Breeding Farm, Karnal.

(Sd.) ANUP CHAND, Accountant,  
Imperial Cattle Breeding Farm, Karnal.
GOVERNMENT RESEARCH CREAMERY, ANAND.

SECTION I.—FINANCIAL REVIEW BY THE SUPERINTENDENT ON THE ACCOUNTS

301. Throughout the year 1929-30, the Creamery continued performing
its two fold functions of trade and Education and Research. Great attention
was directed towards the business activities so much so that the Creamery
besides supplying their products both in Southern and Upper India, to several
private individuals, secured custom from the Military Department. Just
at the close of the period this Creamery was supplying butter on regular in-
dents to several Military Dairy Farms and various Depots of the Supply and
Transport Department. The Commercial activities during the year on the
whole resulted in a profit of Rs. 15,441-10-9 against a profit of Rs. 1,555 in
the previous year.

302. The great rise in the sales of the different Dairy Products during the
year is shown below and is compared with the previous year’s sales:

<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lbs.</td>
<td>Lbs.</td>
</tr>
<tr>
<td>Butter</td>
<td>71,073</td>
<td>80,340</td>
</tr>
<tr>
<td>Separated Milk</td>
<td>3,37,708</td>
<td>4,45,825</td>
</tr>
<tr>
<td>Yellow Ghee</td>
<td>2,331</td>
<td>5,890</td>
</tr>
<tr>
<td>White Ghee</td>
<td>845</td>
<td>785</td>
</tr>
<tr>
<td>Casein</td>
<td>15,746</td>
<td>13,915</td>
</tr>
<tr>
<td>Cream</td>
<td>273</td>
<td>44</td>
</tr>
<tr>
<td>Cheese</td>
<td>Nil</td>
<td>38</td>
</tr>
<tr>
<td>Milk</td>
<td>415</td>
<td>390</td>
</tr>
<tr>
<td>Butter &quot;G&quot;</td>
<td>605</td>
<td>55</td>
</tr>
</tbody>
</table>

The improvement in the final figures may be attributed to the increased
turnover of the dairy, to lower rates for milk and improved methods of pur-
chase by short term contracts. In addition to the usual practice of selling
butter, the Creamery dealt with profit in all their bye-products. There was
a great demand for separated milk and Casein and large quantities of them
were sold to public.

303. Experiments in the manufacture of Condensed Milk and in making
of Casein in different forms by different processes were carried out for educat-
ing the Diploma and Post-graduate students who visited the institution during
the year.

304. To keep pace with the ever increasing improvements and modernisation
in the manufacture and handling of Dairy Products, various old pieces
of Machinery which existed and which were unfit for further use were replaced
during the year by new ones of the most modern type. And as a side show,
it has been possible thereby to impart lessons and educate in a scientific and
practical way to Dairy students and the general public the far reaching
benefits that a Butter Factory installed on recent lines and worked under
ideal hygienic conditions, which can be run if required both economically and
profitably to the manufacturer and consumer, would offer by way of providing
a marketable product which would be excellently pure, fresh, free from
bacteria or parasites and at the same time consisting of the best of Vitamine products useful for growth, and encouragement of such products, will be promoting nothing but health and prosperity to the nation at large.

**Balance Sheet.**

305. Additions to Assets.—The assets were increased by the following amounts during the year under review:—

<table>
<thead>
<tr>
<th>Item</th>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and Machinery</td>
<td>9,067</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>Office equipments</td>
<td>135</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9,202</td>
<td>12</td>
<td>9</td>
</tr>
</tbody>
</table>

Besides certain stores amounting to Rs. 2,893-9-10 were also transferred during the year to office equipment. This was simply an adjustment transaction as the addition to office equipment was set off by a corresponding reduction of miscellaneous stores.

306. **Writes-off of assets.**—The only writes-off represent depreciation and no other item of asset was condemned or sold away during the year.

307. **Stores and Stock.**—A separate statement showing the different transactions on consumable stores is affixed. The all-round reduction in the ending stock of stores on 31st March 1930 was due to the transfer of certain stores to office equipment amounting to Rs. 2,893-9-10, as mentioned above. The details of ending balances of Dairy Products on 31st March 1930 are set out below:

**Balance on 31st March 1930.**

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Rate</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lbs. Ozs.</td>
<td>Rs. A.</td>
<td>P.</td>
</tr>
<tr>
<td>Butter &quot;A&quot; Grade</td>
<td></td>
<td>353-8</td>
<td>1 0 0 0 per lb</td>
</tr>
<tr>
<td>Cream</td>
<td></td>
<td>409 0</td>
<td>1 0 0 0</td>
</tr>
<tr>
<td>Casein</td>
<td></td>
<td>4,324 0</td>
<td>11 0 0 per 41 lb</td>
</tr>
<tr>
<td>Ghee yellow</td>
<td></td>
<td>218 8</td>
<td>0 12 0 per lb</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Stock taking was carried out by the Audit Inspector of the Director of Imperial Institute of Agricultural Research and the balances on 31st March 1930 were also verified by the Superintendent.

308. **Sundry Debtors.**—These amounted to Rs. 8,784-1-2 and all debts have since been recovered.

309. **Liabilities.**—All outstanding liabilities for salaries, expenses and purchases have been duly accounted for in the account.

310. **Government Capital Account.**—Rs. 1,70,903-6-5. Besides the monthly figures of cheques cashed and remittances to Treasury, it also includes the adjustments through the Pay and Accounts Officer, Survey of India, Calcutta.
SECTION II.—REMARKS BY THE DIRECTOR OF COMMERCIAL AUDIT.

311. A change in the method of presentation of the accounts of the Anand Creamery has been approved by the Government of India and the accounts of the year under review have been drawn up on the revised lines. Previous to this the whole of the expenditure of the Creamery after deducting the share allocable to Research was taken as incurred on the manufacture of butter although part of it related to casein and ghee making.

312. The cost of manufacturing 76,758·4 lbs. of "A" grade butter in 1929-30 was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
<th>Rate per lb.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Charges</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy Produce used</td>
<td>49,907</td>
<td>Rs. 0 19 47</td>
</tr>
<tr>
<td>Stores and Chemicals</td>
<td>3,272</td>
<td>Rs. 0 0 8-2</td>
</tr>
<tr>
<td>Coal consumed</td>
<td>3,717</td>
<td>Rs. 0 0 9-3</td>
</tr>
<tr>
<td>Wages</td>
<td>1,425</td>
<td>Rs. 0 0 3-6</td>
</tr>
<tr>
<td>Repairs and depreciation of machinery</td>
<td>3,619</td>
<td>Rs. 0 0 9-9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>61,940</td>
<td>Rs. 6 12 10-8</td>
</tr>
</tbody>
</table>

| Indirect Charges |        |              |
| Salaries and allowances | 8,078 | Rs. 0 1 8-3  |
| Miscellaneous charges | 2,193 | Rs. 0 0 5-4  |
|                      |        |              |
|                      | 0 2 1-7 |

| Gross Cost of Production | 72,211 | Rs. 0 15 6-5 |

313. The trading transactions relating to "A" grade butter are set out below:

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Stock</td>
<td>10,102</td>
</tr>
<tr>
<td>Cost of Production</td>
<td>72,211</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>10,160</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,01,473</td>
</tr>
</tbody>
</table>

|                  | Amount |
| Sales of butter  | 78,412 |
| Sales of separated milk | 7,875 |
| Butter issued for ghee making | 6,436 |
| Separated milk issued for casein making | 8,397 |
| Closing stock    | 333    |
| **Total**        | 1,01,473 |

314. Receipts from the sale of separated milk and adjustments on account of separated milk issued for conversion into casein have been credited in the above statement. The net cost of butter if these recoveries had been set off against the costs of manufacture would have amounted to Rs. 0 11 7-8 in the
year 1929-30. There was a gross profit of Rs. 19,160 on the trade in butter during 1929-30. The selling rate varied between Rs. 0-15-6 and Rs. 1-2-0 per lb.

315. The cost of the manufacture of 18,153-4 lbs. of casein during 1929-30 is tabulated below:

<table>
<thead>
<tr>
<th>Materials used</th>
<th>Amount</th>
<th>Rate per lb.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Separated milk</td>
<td>8,388</td>
<td>0 7 4-3</td>
</tr>
<tr>
<td>Labour</td>
<td>408</td>
<td>0 0 4-3</td>
</tr>
<tr>
<td>Depreciation</td>
<td>96</td>
<td>0 0 1-0</td>
</tr>
<tr>
<td>Indirect charges</td>
<td>400</td>
<td>0 0 4-2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9,392</td>
<td><strong>0 8 2-3</strong></td>
</tr>
</tbody>
</table>

If casein were not manufactured, the surplus separated milk would be wasted. The costs of manufacture apart from the charge for the separated milk used do not amount to much, and as long as these are within the realizations the manufacture of casein would appear to be justified. The average selling rate of casein for the year 1929-30 was Rs. 0-3-6-3 per lb. Sales of casein amounted to Rs. 3,075 and after taking into account a closing stock of Rs. 1,294 the gross loss for the year amounted to Rs. 5,093.

316. Ghee manufacture.—6,403-7 lbs. of ghee was manufactured during the year. The cost of the outturn is detailed below:

<table>
<thead>
<tr>
<th>Materials used</th>
<th>Amount</th>
<th>Cost per lb.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Butter used “A” grade</td>
<td>6,436</td>
<td>0 0 1-0</td>
</tr>
<tr>
<td>“ “ “C” ”</td>
<td>260</td>
<td>0 0 7-8</td>
</tr>
<tr>
<td>Coal</td>
<td>63</td>
<td>0 0 1-8</td>
</tr>
<tr>
<td>Depreciation</td>
<td>54</td>
<td>0 0 1-6</td>
</tr>
<tr>
<td>Indirect charges</td>
<td>48</td>
<td>0 0 1-5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,881</td>
<td>1 1 1-7</td>
</tr>
</tbody>
</table>

The selling rates of ghee varied between Rs. 0-12-0 and Rs. 1 per lb. and Rs. 5,099 was realised thereon. A gross loss of Rs. 1,869 however was incurred on this account.

317. Thirty per cent. of all revenue expenditure incurred has been allocated to research and the receipts on account of institute fees have been credited to that head. This resulted in a net charge of Rs. 31,461 in 1929-30 as against Rs. 31,705 in 1928-29. The gross and net profits for the year 1929-30 on the whole of the Creamery’s commercial transactions are set out below and compared with the results of the previous year:

<table>
<thead>
<tr>
<th></th>
<th>Gross Profit</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929-30</td>
<td>13,709</td>
<td>15,442</td>
</tr>
<tr>
<td>1928-29</td>
<td></td>
<td>loss 225</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,555</td>
</tr>
</tbody>
</table>
The increased profits in 1929-30 arose from a larger output and increased sales as well as from improved conditions of trading. The adverse results of the year 1928-29 were due to the fact that there were excessive stocks on hand at the beginning of that year which had to be disposed of at a loss. The final result, however, after taking the cost of research into account was a deficiency of Rs. 16,019 in 1929-30. The deficiency in the two previous years was:

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927-28</td>
<td>19,216</td>
</tr>
<tr>
<td>1928-29</td>
<td>30,150</td>
</tr>
</tbody>
</table>

318. Sundry Debtors.—These amounted to Rs. 8,784 on 31st March 1930 against Rs. 27,996 (net) on 31st March 1929; this marked improvement is satisfactory. The sundry debtors on 31st March 1930 represent an outstanding of 9.28 on the sales of the year 1929-30 as against 59.65 on those of the year 1928-29.
**Summary of working results of three years 1927-28, 1928-29 and 1929-30 of the Government Research Creamery, Anand.**

<table>
<thead>
<tr>
<th>Details</th>
<th>1920-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Research</td>
<td>Commercial</td>
<td>Combined effect</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Total Sales</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Profit or Loss (excluding *indirect charges)</td>
<td>31,461</td>
<td>15,442</td>
<td>-16,010</td>
</tr>
<tr>
<td>Net Profit or Loss (including *indirect charges)</td>
<td>-</td>
<td>-</td>
<td>-28,904</td>
</tr>
<tr>
<td>Capital</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Percentage of net profit or loss (excluding *indirect charges) on capital</td>
<td>18.40</td>
<td>9.03</td>
<td>-9.67</td>
</tr>
<tr>
<td>Percentage of net profit or loss (including *indirect charges) on Capital</td>
<td>-</td>
<td>-</td>
<td>-16.91</td>
</tr>
<tr>
<td>Leave and Pension contribution</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit Fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direction charges</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
GOVERNMENT RESEARCH CREAMERY, ANAND.

320. Balance Sheet as at 31st March 1930.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Sundry creditors and credit balances</td>
<td>1,883</td>
<td>2,673</td>
<td>Land</td>
<td>24,000</td>
<td>24,000</td>
</tr>
<tr>
<td>Government Capital Account</td>
<td>1,70,903</td>
<td>1,79,143</td>
<td>Buildings</td>
<td>28,366</td>
<td>28,366</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Plant and Machinery</td>
<td>23,979</td>
<td>40,012</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Office equipment</td>
<td>3,808</td>
<td>897</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Stores and stock</td>
<td>7,198</td>
<td>19,766</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Sundry debtors</td>
<td>8,784</td>
<td>27,906</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cash and stamps</td>
<td>554</td>
<td>1,487</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cost of education and research 1929-30.</td>
<td>31,401</td>
<td>31,705</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Deduct.—Net profit on 15,442</td>
<td>1,555</td>
<td>46,169</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>commercial.</td>
<td></td>
<td>30,150</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Net loss</td>
<td>16,016</td>
<td>20,150</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Add Loss of previous year</td>
<td>30,150</td>
<td></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>1,72,788</strong></td>
<td><strong>1,81,816</strong></td>
<td><strong>Total Assets</strong></td>
<td><strong>46,169</strong></td>
<td><strong>1,72,788</strong></td>
</tr>
</tbody>
</table>

(Sd.) MAHARAJ KISHEN, (Sd.) M. C. RANGASWAMI, (Sd.) E. PRICE,
Accountant, Superintendent, Government Research Assistant Director of
GOVERNMENT RESEARCH CREAMERY, ANAND.

321. Trading and Profit and Loss account for the year ended 31st March 1930.

<table>
<thead>
<tr>
<th>Description</th>
<th>1929-30</th>
<th>Rs.</th>
<th>Corresponding figures for 1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Opening stock of Cheese</td>
<td></td>
<td>62</td>
<td>Not available</td>
</tr>
<tr>
<td>&quot; Trading loss in Cascin &quot;</td>
<td>5,062</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>&quot; Ghee</td>
<td>1,869</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot; Gross profit</td>
<td>6,961</td>
<td>Do.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>13,800</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>20,823</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To Gross loss carried down</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot; Expenditure on research</td>
<td>32,091</td>
<td>225</td>
<td></td>
</tr>
<tr>
<td>&quot; Net profit on trading carried down</td>
<td>31,765</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>32,255</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>47,533</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To Net loss of research brought down</td>
<td></td>
<td>31,461</td>
<td>30,475</td>
</tr>
<tr>
<td></td>
<td>30,475</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Excluded charges:
- Leave and Pensionary contribution  1,481  1,724
- Interest  9,394  10,988
- Audit fees  1,000  1,000
- Direction charges  900  900

Total Excluded charges  12,885  13,712

By sale of cheese:
- Trading profit in "A" butter  19,160  Do.
- "C"  7  Do.
- Recoveries in packing  1,500  Do.

Total Revenue  20,823  Do.

Gross profit brought down  13,800  550
Miscellaneous receipts  690  1,230
Institute fees (Research)  31,461  30,475
Net cost of research & d  47,533  32,255
Net profit on trading b/d  16,442  325
Net deficiency carried to Balance sheet  16,019  30,475

Total  20,823  30,475
### Statement of Stores for the year 1929-30

<table>
<thead>
<tr>
<th>Stores</th>
<th>Opening Balance on 1st April 1929, Rs. A.T.</th>
<th>Value of receipts during the year, Rs. A.T.</th>
<th>Value sold or disposed of during the year, Rs. A.T.</th>
<th>Closing Balance on 31st March 1930, Rs. A.T.</th>
<th>Result of stock verification and revaluation, if any.</th>
<th>Agency employed for revaluation or Verification.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumable Store</td>
<td>7,357 8 0</td>
<td>9,366 4 3</td>
<td>12,377 2 2</td>
<td>4,286 10 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chemicals</td>
<td>477 2 7</td>
<td>1,080 3 4</td>
<td>1,107 4 4</td>
<td>300 1 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coal</td>
<td>829 0 3</td>
<td>4,612 1 9</td>
<td>5,389 8 0</td>
<td>253 0 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,674 0 10</strong></td>
<td><strong>15,307 0 4</strong></td>
<td><strong>18,943 14 6</strong></td>
<td><strong>4,337 11 8</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Foot-taking was carried out by the Audit Inspector of the Agricultural Adviser to the Government of India and the balance on 31st March 1930 were certified by the Superintendent of the Creamery.*

(Sd.) MAHARAJ KISHEN,  
Accountant,  
Government Research Creamery, Anand.

(Sd.) M. C. RANGASWAMY,  
Superintendent,  
Government Research Creamery, Anand.

(Sd.) E. PRICE,  
Assistant Director of Commercial Audit,  
Bombay Circle.
IMPERIAL INSTITUTE OF AGRICULTURAL RESEARCH, PUSA.


323. The Institute consists of the following sections:—
1. The Central Office—under the immediate supervision of the Joint Director and the Director.
2. The Estate Office (including the Kitchen Garden).
3. The Power House.
4 and 5. The Agricultural Section—Cultivation Experiments and the Cattle-Breeding Experiments.
6. The Economic Botanist's Section.
7. The Imperial Bacteriologist's Section.
8. The Imperial Mycologist's Section.
9. The Imperial Chemist's Section.
10. The Imperial Entomologist's Section.
11. The Sugar Bureau (including the Sugar Cable Service).

Every section maintains some account books and stores ledgers, but the Central Office is the channel of communication with the treasury and the Pay and Accounts Officer and the sections hold their imprest from and render their detailed accounts to the Central Office.

A quasi-commercial system of accounts has been introduced with effect from 1st April 1928 in the case of the Agricultural Section—Cultivation Experiments and the Cattle-Breeding Experiments, and a similar system in the Sugar Cable Service and the Kitchen Garden. In commercializing the accounts of the Sugar Cable Service, the reservation was made that no charge should be debited for the present to this service for the work done by the Secretary and the Superintendent of the Office of Sugar Bureau or on account of leave and pension charges. It has been decided further that no commercial or quasi-commercial accounts require to be introduced in the case of the other sections of the Institute, including the Estate Office, the Power House, and the Hospital. The acceptance of the principle of keeping the accounts of the Institute on a commercial basis, wherever possible, is subject to the condition that the fulfilment of the specific objects for which the Institute is established is not thereby impeded. It has been specially laid down by the Government of India that the introduction of these accounts does not necessarily imply that the concerns should be run as profit-earning or business ones as the Imperial Institute of Agricultural Research, Pusa, has been established primarily for the promotion of Research and the provision of Educational facilities. Further, as the present activities of the Farm and the Dairy at Pusa which have been brought within the scope of the commercial system of accounts are being substantially curtailed and as further schemes of Educational and Research activities are likely to materialize in the immediate future, the Government of India do not think it possible in the existing unsettled conditions to lay down, with any degree of accuracy, a criterion for the allocation of expenditure of the "cultivation" and "cattle Breeding" experiments between "Commercial" and "Research and Educational" activities and they therefore do not at present consider it desirable to attempt such a division. Although it has been decided not to apportion expenditure between "Com-
mercial,' and 'Research and Educational' activities, the Government of India have recognized that the commercial accounts will still be of some use in indicating the possibility of improving the working of cultivation and cattle breeding operations or of reducing the working expenses. As regards the loss in these experiments, the Government of India have agreed with the Auditor-General that throughout it should be read as meaning 'cost to Government of the Commercial, Education and Research activities in the respective branches of the Institute'.

The financial results of the working of the various sections are reviewed briefly in the following paragraphs giving comparative figures for the years 1928-29 and 1929-30.

Agricultural Section.

324. The Agricultural Section is the largest section in the Institute and involves the highest expenditure. It consists of two main departments which deal with cultivation and cattle breeding experiments.

(i) Cultivation Experiments.

The Farm consists of about 800 acres and experimental work connected with the cultivation of crops is conducted in an area of about 70 acres while in the land outside this area, farming on a large scale involving the use of rotation is being carried on. Green fodder is grown on a part of the land and sugarcane is also cultivated. The other chief crops are maize, oats, Askor, wheat, gram, beans, cow peas and moth. The fodder may be divided into dry bhusa, green fodder and silage. Most of the gram and fodder produced on the farm is utilized for the maintenance of working cattle and the breeding herd. Sales to outsiders are comparatively small.

The net financial results of the operations of the cultivation experiments during the year 1929-30 show a loss of Rs. 34,814-6-9 excluding indirect charges, as against Rs. 14,385 in the year 1928-29, and Rs. 58,049 including such charges as against Rs. 37,885 in the year 1928-29. The expenditure booked in these accounts includes the portion spent on agricultural research, experiments and training of students. As already decided by the Government of India in concurrence with the Auditor-General, the loss may be taken roughly to represent the net cost to the Government of running this Section. The increase in the total loss over the last year's figures is due to the fact that the value of rabi crops, for the years 1927-28 and 1928-29 was accounted for in the year 1928-29, as the rabi crops of 1927-28 came into store in the year 1928-29 after the introduction of the system of commercial accounting.

Expenditure.

The total expenditure for the year 1929-30 is Rs. 1,60,591 as against Rs. 1,19,021 for the year 1928-29, thereby showing an increase in expenditure of Rs. 31,570 which may be explained as follows:—

(1) Rs. 27,168 increase.—This is due to the reduction in the expenditure during the year 1928-29 as no provision was made for the standing Rabi crops on 31st March 1928.
(2) Rs. 2,217 Increase.—This is due to feeding more green fodder to the work cattle, which was available in abundance during the year and also to the addition of 6 new Malvi bullocks which were purchased during the year under review.

(3) Rs. 6,872 Increase.—This represents the increased expenditure under the head “Other Stores consumed and wages.” This is due to handling of a larger volume of farm produce worth Rs. 11,140-11-0, vide Production and Profit and Loss account.

(4) Rs. 4,418 Decrease.—Under “Pay of officers” is due to the transfer of the Imperial Agriculturist, Mr. G. S. Henderson to Bihar and Orissa during the month of November, 1929, and to the transfer of one-third pay of A. I. A. to Breeding Herd Section and one-third to Research and education.

(5) Rs. 1,240 Increase.—Under “Pay of Establishment” is due to annual increments in the salary of the members of the staff.

(6) Rs. 612 Decrease.—Under “Overseas pay and Passage” is due to the transfer of Mr. G. S. Henderson to Bihar and Orissa.

(7) Rs. 3,126 Decrease.—Under “Sundry Expenses” is due to less expenditure on electric charges and no charging off on death of cattle.

(8) Rs. 1,024 Increase.—Under “Depreciation of Plant and Machinery” is due to depreciation on new machinery purchased last year.

The expenditure on the other items during both the years is practically equal.

Receipts.

The total receipts amounted to Rs. 1,15,776-11-0 as against Rs. 1,04,636 in the year 1928-29 showing an increase of Rs. 11,140-11-0.

Balance Sheet.

1. Plant and Machinery.—Addition—Rs. 785-6-0. This represents the value of one Ransomes tractor disc harrow purchased during the year.

2. Buildings.—Addition—Rs. 2,093-6-0. This represents the cost of renewal of a second implement shed.

3. Live-Stock.—Opening Balance

\[ \begin{align*}
\text{Add value of 8 Malvi Bullocks Purchased} & \quad 1,958 \ 5 \ 6 \\
\text{Less value of 2 Malvi bullocks transferred to Breeding Herd} & \quad 390 \ 0 \ 0 \\
\text{Valuation on 31st March 1930} & \quad 7,684 \ 5 \ 6
\end{align*} \]
Stores.—The store transactions during the year are detailed below:

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Add Farm Produce</td>
<td>74,123</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td>Stores Purchased</td>
<td>31,879</td>
<td>14</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>106,003</strong></td>
<td><strong>12</strong></td>
<td><strong>3</strong></td>
</tr>
</tbody>
</table>

This profit is due to the inclusion of freight on stores (under Sundry Expenses) in the accounts. The 10 per cent supervision charges recovered from sundry customers and other departments in respect of issues of the stores also account to a certain extent for this profit.

(5) Cattle Breeding Experiment.

It will be seen that the last year’s loss of Rs. 55,233 including all charges, has this year been increased by about Rs. 10,160 and stands at a total of Rs. 65,391. This figure may be taken roughly to represent the net expenditure which is chargeable to experimental work and educational activities. The various items which have brought about the increased loss are discussed below:

The figures in the Production account show that the expenditure has practically remained the same as there is only a small increase of Rs. 4,026-0-3 which includes a sum of Rs. 1,061 provided as a reserve for Bad and Doubtful debts. The loss is mainly due to a fall in income under:

2. Sale of cattle by Rs. 4,637-0-0.
3. Appreciation on live stock by Rs. 2,892-10-0.

Item (1).—The total quantity of milk available for sale and manufacture was 3,32,974 lb. as against 3,78,323 lb. during last year, as per statement III showing yield and disposal of milk. There were thus 45,349 lb. less milk to sell which resulted in a decreased income of Rs. 4,026-0-3 on this account. This was due to the fact that two very heavy milkers were lost in the year and another remained standing off. These three cows were responsible for reduction in the yield by about 30,000 lb. and the remainder was due to seasonal fluctuation in the herd.

Item (2).—Sale of Cattle.

<table>
<thead>
<tr>
<th>Year</th>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1928-29</td>
<td>7,201</td>
<td>14</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(Valuation 8,469 14 0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1929-30</td>
<td>9,072</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>(Valuation 6,153 0 0)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The stock sold in 1928-29 was valued at Rs. 6,153-0-0 and that sold in 1929-30 at Rs. 8,469-14-0 with the result that the 1928-29 sale showed a profit over valuation of Rs. 3,419-0-0 while the 1929-30 sale showed a loss of Rs. 1,218-0-0. This was entirely due to the fact that in 1929-30 there was no demand for young Montgomery bulls and those which were put up for sale had to be disposed of at figure below valuation as it is not economical to keep surplus bulls over a certain age. This lack of demand may be attributed to stringency of funds and is quite beyond control.

Item No. (3).—Refers to a drop in the appreciation of the herd of Rs. 2,892-10-0, i.e., the appreciation of the herd was Rs. 8,783-0-0 in 1928-29 and only Rs. 5,890-6-0 this year. This fall is due to—

(a) The death of some good cows in the year under review;
(b) The fact that the valuation of the young Montgomery male stock had to be based on their sale value at the last sale when prices were very low.

The balance sheet shows that the capital due to the Government of India from this branch was Rs. 1,68,805-0-0 on 31st March 1930 as against Rs. 1,66,401-0-0 on 31st March 1929.

The two main headings concerned are:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>(a) Fixed assets including Tools and Implements</td>
<td>58,002 11 2</td>
<td>59,074</td>
</tr>
<tr>
<td>(b) Live stock</td>
<td>40,888 8 0</td>
<td>44,493</td>
</tr>
</tbody>
</table>

The drop of about Rs. 1,000 on fixed assets is due to depreciation of Buildings and Plant and Machinery.

The decrease in the live stock assets has already been explained above. 325. The following milk and herd statistics may be of interest.

(I) *Strength of the Herd on 31st March.*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of cows in milk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot; dry</td>
<td>71</td>
<td>84</td>
</tr>
<tr>
<td>Bulls</td>
<td>41</td>
<td>47</td>
</tr>
<tr>
<td>Bull calves</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Heifers</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Sheep</td>
<td>89</td>
<td>83</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>118</td>
</tr>
<tr>
<td></td>
<td>99</td>
<td>76</td>
</tr>
</tbody>
</table>

Total 453 423

(II) *Milk Statistics.*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of animals milked during the year</td>
<td>23,710</td>
<td>24,607</td>
</tr>
<tr>
<td>No. of animals dry during the year</td>
<td>10,539</td>
<td>19,984</td>
</tr>
<tr>
<td>Total milk yield for the year</td>
<td>4,67,260 lbs.</td>
<td>4,21,363 lbs.</td>
</tr>
<tr>
<td>Average yield per animal per day</td>
<td>10-12 lbs.</td>
<td>17-047 lbs.</td>
</tr>
</tbody>
</table>
(III) Statement showing yield and disposal of milk.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lbs.</td>
<td>Lbs.</td>
<td>Lbs.</td>
<td>Lbs.</td>
</tr>
<tr>
<td>Total yield for the year</td>
<td>457,289</td>
<td>421,366</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deduct—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Handling loss</td>
<td>249</td>
<td>355.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spoiled</td>
<td>2,604</td>
<td>2,065</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss in distribution at Pusa</td>
<td>1,501.5</td>
<td>1,664.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss at Murshidpur depot</td>
<td>372</td>
<td>332</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued to animals for medicine</td>
<td>78</td>
<td>226.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued for analysis</td>
<td>925.4</td>
<td>838</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fed to calves</td>
<td></td>
<td></td>
<td>83,369</td>
<td>82,869</td>
</tr>
<tr>
<td><strong>Total deduction</strong></td>
<td><strong>378,324</strong></td>
<td><strong>332,974</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net quantity to be accounted for</strong></td>
<td><strong>88,945.5</strong></td>
<td><strong>88,390.5</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sold at Pusa</td>
<td></td>
<td></td>
<td>190,343</td>
<td>187,537</td>
</tr>
<tr>
<td>Sold outside Pusa</td>
<td></td>
<td></td>
<td>131,766</td>
<td>107,986</td>
</tr>
<tr>
<td>Issued for manufacture of cream</td>
<td>56,574</td>
<td>34,444.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>376,325</strong></td>
<td><strong>333,974</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Although the number of cows in milk at the end of the year under review exceeded the number at the end of the previous year, the average number of cows that remained in milk throughout the year under review was 67.5 against 71.5 in the preceding year and therefore the number of animals milked and the milk obtained during the year were less by 4 per cent. and 9.8 per cent. respectively. The average yield per animal per day was also less during the year under review. This is due to the death of 2 of the heaviest milkers in the herd and further, as the Cross-Breeding Experiment proceeds from half-breds to other crosses, the average milk yield is bound to fall off as no other crosses could be bred as good in milk yield as the half-breds.

It will appear from statement (III) above, that the loss in handling and distribution at Pusa increased by 42 per cent. and 28 per cent. respectively over the last year’s figures. This was mainly due to increase in the number of small customers leading to additional handling and also to accidental spilling. The issue to animals for medicinal purposes was also nearly three times as great due to 3 valuable sick cows remaining on milk diet for several days. However, the total loss in handling and distribution comes to about 5 per cent. only of the total milk production which is negligible.

The quantity of spoiled milk shows a slight increase of 1 per cent. over the previous year’s figure which is negligible. The quantity fed to calves shows a decrease of 500 lbs., though it represents 19.7 per cent. of the total quantity produced as against 21.7 per cent. in the last year.

It would not be out of place to point out in this connection that for the following reasons it is impossible to run a commercial dairy business alongside cattle breeding work on the same herd.

For a dairy business the aim should be to have one heifer coming in yearly for every six cows in the herd and to allow for 50 per cent. margin for heifers.
turning out bad or proving casualties—say one heifer per three cows in the herd. In the breeding herd 88 heifers are, however, actually maintained against 131 cows or just over 100 per cent. more than the economic figures for dairying.

In the same way, in order to do the selective breeding by families, in the Sahiwal herd, 50 per cent. more bulls are maintained than is commercially necessary.

The amount of milk fed to calves, i.e., 19.7 per cent. is far above what would be used in a commercial dairy herd where bull calves would not be reared and fewer heifers brought in.

All these charges are inextricably mixed up with the quasi-commercial costs of the dairy side but they would not exist in a herd maintained solely for commercial dairy purposes.

326. Sugar Cable Service.—The function of the Sugar Cable Service attached to the Sugar Bureau of the Imperial Institute of Agricultural Research, Pusa, consists in obtaining regular and up-to-date information regarding the sugar crops of the world and market reports from the chief centres of the sugar trade and in classifying and circulating this information to the principal sugar firms in India. This service enables the Sugar Bureau to be in possession of accurate and up-to-date crop reports and statistics; to remain in constant touch with those interested in the imports and manufacture of sugar; and to publish regularly in the Indian Trade Journal quotations for various grades of sugar and stocks of sugar in the principal markets. It also enables the Sugar Bureau to supply much valuable information on sugar to the Director General of Commercial Intelligence and to the Government of India.

The receipts of the Sugar Cable Service consist of subscriptions realised from sugar firms in India and amounts received from foreign agents on account of the cost of cablegrams and other services rendered to them. The expenditure consists of the pay of temporary establishments specially engaged for the work, cost of telegrams to members and Indian Agents, cost of cables to and from foreign countries, cost of stationery and of—other ordinary contingent items.

The receipts of this service during the year 1929-30 amounted to Rs. 22,403 according to the books maintained in the Sugar Bureau of the Institute and the expenditure including the decrease in the opening balance of stamps amounted to Rs. 21,253-10-0. The result is a surplus of Rs. 1,149-6-0.

The receipts of the year 1929-30 fall short by Rs. 1,780 compared with the receipts of the preceding year and this is due to the fall in the membership of the service on account of the depression in the world’s sugar trade during the year. The expenditure is also less by Rs. 1,239 than the year 1928-29 and this is due to less purchase of the service postage stamps, small expenditure on travelling allowances, and adoption of economy in contingent expenditure.

The expenditure in the year 1929-30 under the head “cost of cables and telegrams” increased by Rs. 523. This increase was due to the fact that the service had to incur expenditure throughout the year 1929-30 for the cost of cables received from two Agents in New York which it had not to do in the
preceding year on account of the temporary dropping out of one Agent in New York in the middle of the year 1928-29.

327. Kitchen Garden.—In the Kitchen Garden fruits and vegetables are grown and sold to the employees of the Estate. Certain additional temporary establishments are engaged for the purpose and some contingent charges are also incurred. It has been decided that this garden should be run, as far as possible on a self-supporting basis, as it is maintained mainly for the benefit of the employees, and not for the requirements of the Institute. The prices of the produce are regulated with reference to local market rates.

The Expenditure on the garden for the year 1929-30 amounted to Rs. 1,038 as against Rs. 1,269 in the year 1928-29, while the receipts amounted to Rs. 1,651 as against Rs. 1,242 in the last year, resulting in a small surplus of Rs. 13 as against a small deficit of Rs. 27 in the year 1928-29. Attempt has been made to curtail the contingent expenditure in order to make it self-supporting. The decrease in income is mainly due to untimely rains during the year under review which affected the output.

SECTION II.—REMARKS BY THE DIRECTOR OF COMMERCIAL AUDIT.

328. The net "cost to Government of the Commercial, Educational and Research activities" during the year under review and the previous year, in the Cultivation and Cattle Breeding sub-sections of the Agricultural Section of the Institute, is shown below:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>Increase during 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Cultivation</td>
<td>58,049</td>
<td>37,850</td>
<td>20,199</td>
</tr>
<tr>
<td>Cattle Breeding</td>
<td>63,331</td>
<td>53,233</td>
<td>10,098</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,23,380</strong></td>
<td><strong>91,083</strong></td>
<td><strong>32,297</strong></td>
</tr>
</tbody>
</table>

The increase of the net cost during the year on the cultivation side is due to the fact that the accounts for 1928-29 did not show the debit on account of the opening balance of the "Standing Crop" resulting in an under-statement of the "Loss" for that year.

On the Cattle Breeding Experiments side, the increase is due to the smaller yield of milk and the loss on the year's sale of cattle and the consequent writing down of the value of the live-stock in the dairy.

The losses are commented on and explained in the Financial Review.

329. The Government of India have decided that it is desirable that early action should be taken to curtail the cattle breeding operations of this Institute in order that more land may be available for other purposes of the Institute, more especially for growing staple crops and improved strains evolved by the Imperial Economic Botanist. They have therefore authorised the Director to take steps at once to discontinue the cross-breeding experiments that were being carried on and to make every effort to place the animals
on such farms, whether military or civil, as are in a position to make the best use of them. They have further ordered that the pure bred herd should be limited to meet the milk requirements of the staff of the Institute and to admit of research work into the manufacture of important milk products should it be decided to conduct such work at Pusa.

In view of this and the increase in the loss on the dairy, it was suggested in audit for the consideration of the Director if the present selling rate for milk at Pusa of anna 1 per lb., might not be revised, specially as it dates back several years. The Director is of opinion, however, that there is no case for the revision of the existing sale rate of milk. The matter has been submitted to Government for orders.

330. It was pointed out in audit that the accounts of this concern as at present drawn up are not of such value as they would be if commercial activities were separated from cost of education and research. The Government of India are, however, not in favour of making any allocation of expenditure, as suggested, their reason being as follows:—

"The Imperial Institute of Agricultural Research at Pusa has been established primarily for the promotion of research and the provision of educational facilities. The present activities of the Farm and the Dairy at Pusa, which have been brought within the scope of the commercial system of accounts, are being substantially curtailed and further schemes of educational and research activities are likely to materialise in the immediate future. It does not therefore appear to be possible in the existing unsettled conditions to lay down with any degree of accuracy a basis for the allocation of expenditure of the Institute between "Commercial" and "Research and Educational activities."
## THE AGRICULTURAL RESEARCH INSTITUTE, PUSA.

### 331. Balance Sheet of the Agricultural Section—Cattle Breeding Experiments as at 31st March 1930.

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Year 1928-29</th>
<th>Year 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Expenditure from Imprint awaiting clearance</td>
<td>27</td>
<td>52</td>
</tr>
<tr>
<td>Transport charges outstanding</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Government of India Capital Account—Balance at credit</td>
<td>1,68,883</td>
<td>1,68,882</td>
</tr>
<tr>
<td>Add—Receipts from Treasury (Central Office) and adjustments</td>
<td>88,583</td>
<td>87,801</td>
</tr>
<tr>
<td>Deduct—payments into Treasury (Central Office) and adjustments</td>
<td>40,486</td>
<td>41,162</td>
</tr>
<tr>
<td>Capital debt due</td>
<td>1,54,882</td>
<td>2,18,120</td>
</tr>
<tr>
<td>Add—Indirect charges due to Government</td>
<td>11,409</td>
<td>10,808</td>
</tr>
<tr>
<td>Deduct—Loss during 1928-29</td>
<td>-55,252</td>
<td>-55,252</td>
</tr>
<tr>
<td>Total debt due to Government</td>
<td>1,66,401</td>
<td>1,66,401</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets</th>
<th>Year 1928-29</th>
<th>Year 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Buildings at cost, less depreciation</td>
<td>53,258</td>
<td>53,258</td>
</tr>
<tr>
<td>Less depreciation during the year</td>
<td>-1,928</td>
<td>-1,928</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>-</td>
<td>+1,295</td>
</tr>
<tr>
<td>Plant and Machinery at cost, less depreciation</td>
<td>4,886</td>
<td>4,261</td>
</tr>
<tr>
<td>Add—Additions during the year</td>
<td>300</td>
<td>120</td>
</tr>
<tr>
<td>Less transferred to Farm</td>
<td>590</td>
<td>4,481</td>
</tr>
<tr>
<td>Less depreciation</td>
<td>5,466</td>
<td>4,281</td>
</tr>
<tr>
<td>Add—Additions during the year</td>
<td>1,104</td>
<td>965</td>
</tr>
<tr>
<td>Tools and Implements as per valuation</td>
<td>42,330</td>
<td>44,433</td>
</tr>
<tr>
<td>Livestock as per valuation</td>
<td>467</td>
<td>1,415</td>
</tr>
<tr>
<td>Less casualties</td>
<td>6,158</td>
<td>8,470</td>
</tr>
<tr>
<td>Add—Additions during the year</td>
<td>390</td>
<td></td>
</tr>
<tr>
<td>Add—Appreciation</td>
<td>8,783</td>
<td>3,890</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td>818</td>
<td>818</td>
</tr>
<tr>
<td>Dairy produce</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>Sundry Debtors (considered good)</td>
<td>6,683</td>
<td>3,702</td>
</tr>
<tr>
<td>Sale proceeds on hand</td>
<td>75</td>
<td>43</td>
</tr>
<tr>
<td>Loss during the year</td>
<td>55,333</td>
<td>55,333</td>
</tr>
<tr>
<td>Total</td>
<td>1,66,451</td>
<td>1,66,451</td>
</tr>
</tbody>
</table>

(Sd.) J. M. Banerjee,  
Offg. Head Assistant, Accounts Branch,  
Agricultural Research Institute, Pusa.

(Sd.) W. McRae,  
for Offg. Director, Agricultural  
Research Institute, Pusa.

(Sd.) U. Bhaskaraya,  
Assistant Director of Commercial Audit,  
Calcutta Circle.
Agricultural Section—Cattle Breeding Experiments.

332. Production and profit and loss account for the year ended 31st March 1930.

<table>
<thead>
<tr>
<th>Dr.</th>
<th>Year 1928-29.</th>
<th>Year 1929-30.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>To Grain and Fodder</td>
<td>37,024</td>
<td>33,051</td>
</tr>
<tr>
<td>Stores consumed</td>
<td>1,639</td>
<td>2,206</td>
</tr>
<tr>
<td>Wages</td>
<td>6,110</td>
<td>5,991</td>
</tr>
<tr>
<td>Grazing</td>
<td>10,733</td>
<td>7,097</td>
</tr>
<tr>
<td>Pay of officers</td>
<td>11,916</td>
<td>13,671</td>
</tr>
<tr>
<td>Establishment</td>
<td>9,942</td>
<td>9,277</td>
</tr>
<tr>
<td>Overseas pay and passage</td>
<td>1,800</td>
<td>1,188</td>
</tr>
<tr>
<td>Allowances and honoraria</td>
<td>4,55</td>
<td>1,009</td>
</tr>
<tr>
<td>Repairs to buildings</td>
<td>1,170</td>
<td>1,360</td>
</tr>
<tr>
<td>Other expenses</td>
<td>2,198</td>
<td>3,718</td>
</tr>
<tr>
<td>Depreciation on buildings</td>
<td>1,238</td>
<td>1,932</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>432</td>
<td>276</td>
</tr>
<tr>
<td>Tools and Implements</td>
<td>348</td>
<td>676</td>
</tr>
<tr>
<td>Cost of transport of milk, etc. to Muzaffarpur:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>by (a) Rail</td>
<td>669</td>
<td>484</td>
</tr>
<tr>
<td>(b) Motor</td>
<td>3,592</td>
<td>4,201</td>
</tr>
<tr>
<td>Selling and other expenses</td>
<td>791</td>
<td>897</td>
</tr>
<tr>
<td>Cost of transport of milk to Samastipur</td>
<td>125</td>
<td>62</td>
</tr>
<tr>
<td>Laheria Seral</td>
<td>329</td>
<td>364</td>
</tr>
<tr>
<td>Reserve for bad and doubtful debts</td>
<td>108</td>
<td>1318</td>
</tr>
<tr>
<td>Loss on sale of cattle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>91,166</td>
<td>91,659</td>
</tr>
</tbody>
</table>

By sale proceeds of milk and its by-products:
(a) Local | 14,199 | 13,140 |
(b) Muzaffarpur | 14,406 | 11,450 |
(c) Samastipur | 371 | 263 |
(d) Laheria Seral | 1,826 | 2,121 |
Miscellaneous Receipts | 4,004 | 4,274 |
Appreciation on livestock | 8,783 | 5,890 |
Profit on sales of cattle | 3,419 | |
Stock of cream and ghee | 75 | 98 |
Loss carried down | 43,824 | 54,423 |

Total | 91,166 | 91,659 |

By Total loss | 55,233 | 65,331 |

Total | 55,233 | 65,331 |
### Balance Sheet of the Agricultural Section—Cultivation Experiments as at 31st March 1930

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Year 1928-29</th>
<th>Year 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure from imprest awaiting recoupment</td>
<td>124</td>
<td>117</td>
</tr>
<tr>
<td>Sundry Creditors</td>
<td>1,346</td>
<td>3,545</td>
</tr>
<tr>
<td>Government of India Capital Account</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at credit</td>
<td>2,80,676</td>
<td>3,48,292</td>
</tr>
<tr>
<td>Add—receipts from Treasury (Central Office) and adjustments</td>
<td>1,17,239</td>
<td>1,09,046</td>
</tr>
<tr>
<td><strong>Deduct—payments into Treasury (Central Office) and adjustments</strong></td>
<td>73,113</td>
<td>87,218</td>
</tr>
<tr>
<td><strong>Add—indirect charges due to Government</strong></td>
<td>23,466</td>
<td>23,334</td>
</tr>
<tr>
<td><strong>Deduct—loss during year 1928-1929</strong></td>
<td>-37,859</td>
<td></td>
</tr>
<tr>
<td><strong>Total debt due to Government</strong></td>
<td>3,48,262</td>
<td>3,55,450</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets</th>
<th>Year 1928-29</th>
<th>Year 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land at cost</td>
<td>1,12,125</td>
<td>1,13,325</td>
</tr>
<tr>
<td>Add—additions</td>
<td>1,200</td>
<td></td>
</tr>
<tr>
<td>Buildings at cost less depreciation</td>
<td>34,652</td>
<td>56,034</td>
</tr>
<tr>
<td>Add—additions</td>
<td>2,841</td>
<td>2,064</td>
</tr>
<tr>
<td>Less depreciation</td>
<td>57,463</td>
<td>58,128</td>
</tr>
<tr>
<td>Plant and Machinery at cost less depreciation</td>
<td>57,888</td>
<td>56,034</td>
</tr>
<tr>
<td>Add—additions</td>
<td>10,647</td>
<td>785</td>
</tr>
<tr>
<td>Less transferred to Tools and Implements register</td>
<td>65,556</td>
<td>64,769</td>
</tr>
<tr>
<td>Less depreciation</td>
<td></td>
<td>5,355</td>
</tr>
<tr>
<td><strong>Total of Fixed Assets</strong></td>
<td>2,33,362</td>
<td>2,29,357</td>
</tr>
<tr>
<td>Tools and Implements as per valuation</td>
<td>7,143</td>
<td>8,933</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td>2,600</td>
<td>2,600</td>
</tr>
<tr>
<td>Livestock as per valuation</td>
<td>8,355</td>
<td>7,305</td>
</tr>
<tr>
<td>Add—additions</td>
<td>175</td>
<td>1,938</td>
</tr>
<tr>
<td><strong>Deduct—casualties and trans- fers</strong></td>
<td>8,530</td>
<td>8,263</td>
</tr>
<tr>
<td><strong>Deduct—depreciation</strong></td>
<td>330</td>
<td>390</td>
</tr>
<tr>
<td>As per valuation</td>
<td>7,503</td>
<td>1,189</td>
</tr>
<tr>
<td>Stores</td>
<td>32,982</td>
<td>26,486</td>
</tr>
<tr>
<td>Standing crops at valuation</td>
<td>27,188</td>
<td>24,274</td>
</tr>
<tr>
<td>Sundry Debtors (considered good)</td>
<td>1,410</td>
<td>1,533</td>
</tr>
<tr>
<td>Sale proceeds on hand</td>
<td>11</td>
<td>207</td>
</tr>
<tr>
<td>Loss during the year</td>
<td>37,859</td>
<td>38,049</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,49,732</td>
<td>3,69,142</td>
</tr>
</tbody>
</table>

---

(Sd.) J. M. BAKEDIER,  
Offic. Head Assistant, Accounts Branch, Agricultural Research Institute, Pusa.  
(Sd.) W. McHAN,  
for Offic. Director, Agricultural Research Institute, Pusa.  
(Sd.) C. Bhashkaraya,  
Assistant Director of Commercial Audit, Calcutta Circle.
### 234. Production and Profit and Loss Account for the Year Ended 31st March 1930

<table>
<thead>
<tr>
<th>Dr.</th>
<th>Year 1928-29</th>
<th>Year 1929-30</th>
<th>Cr.</th>
<th>Year 1928-29</th>
<th>Year 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>To Standing Crop</td>
<td></td>
<td></td>
<td>By Oats produced</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feed of Cattle</td>
<td>13,509</td>
<td>15,720</td>
<td>Sugar cane</td>
<td>16,504</td>
<td>18,451</td>
</tr>
<tr>
<td>Other stores consumed</td>
<td>22,117</td>
<td>26,863</td>
<td>Maize</td>
<td>11,947</td>
<td>24,410</td>
</tr>
<tr>
<td>Wages</td>
<td>17,076</td>
<td>19,082</td>
<td>Arhar</td>
<td>2,604</td>
<td>4,062</td>
</tr>
<tr>
<td>Manure</td>
<td>6,132</td>
<td>6,442</td>
<td>Other produce</td>
<td>19,399</td>
<td>19,261</td>
</tr>
<tr>
<td>Pay of officers</td>
<td>11,391</td>
<td>6,673</td>
<td>Grazing</td>
<td>10,733</td>
<td>7,687</td>
</tr>
<tr>
<td>establishment</td>
<td>28,131</td>
<td>29,371</td>
<td>Miscellaneous receipts</td>
<td>10,469</td>
<td>11,978</td>
</tr>
<tr>
<td>Overseas pay, etc.</td>
<td>1,800</td>
<td>1,188</td>
<td>Standing crops</td>
<td>27,168</td>
<td>24,274</td>
</tr>
<tr>
<td>Allowances and honorsaria</td>
<td>1,828</td>
<td>2,086</td>
<td>Loss carried forward</td>
<td>14,385</td>
<td>34,815</td>
</tr>
<tr>
<td>Repairs to buildings</td>
<td>309</td>
<td>795</td>
<td>Total</td>
<td>1,10,021</td>
<td>1,50,391</td>
</tr>
<tr>
<td>sundry expenses</td>
<td>8,310</td>
<td>5,184</td>
<td>By total loss</td>
<td>37,850</td>
<td>58,049</td>
</tr>
<tr>
<td>Depreciation on buildings</td>
<td>1,459</td>
<td>1,330</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>4,331</td>
<td>5,355</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Livestock</td>
<td>1,225</td>
<td>1,189</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tools and implements</td>
<td>1,399</td>
<td>1,518</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,19,021</strong></td>
<td><strong>1,50,391</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

To Loss brought forward

- Pensionary charges                     | 6,018        | 4,969        |
- Audit fees                              | 1,200        | 1,200        |
- Interest on capital                     | 1,850        | 1,830        |
- Total                                   | 14,388       | 15,278       |
|                                          |              |              |
| **Total**                                | **37,850**   | **58,049**   |                                          |              |              |
### SUGAR CABLE SERVICE.

335. Statement showing the receipts and expenditure for the years 1928-29 and 1929-30.

<table>
<thead>
<tr>
<th>Description</th>
<th>1928-29 (Rs.)</th>
<th>1929-30 (Rs.)</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1928-29 (Rs.)</td>
</tr>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus in 1928-29</td>
<td></td>
<td>1,660</td>
<td></td>
</tr>
<tr>
<td>Subscription</td>
<td>21,590</td>
<td>30,375</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Receipts</td>
<td>2,593</td>
<td>2,028</td>
<td>2,119</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,364</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>24,183</td>
<td>24,093</td>
<td>24,183</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay and Allowances</td>
<td>3,828</td>
<td>3,381</td>
<td></td>
</tr>
<tr>
<td>Cost of Cables and Telegrams</td>
<td>15,582</td>
<td>16,106</td>
<td></td>
</tr>
<tr>
<td>Stationery and Office Expenses</td>
<td>1,970</td>
<td>1,363</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,660</td>
<td>2,339</td>
<td></td>
</tr>
</tbody>
</table>

336. Statement showing the receipts and payments account of the Kitchen Garden with the comparative figures for the years 1928-29 and 1929-30.

<table>
<thead>
<tr>
<th>Description</th>
<th>1928-29 (Rs.)</th>
<th>1929-30 (Rs.)</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1928-29 (Rs.)</td>
</tr>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To Cash Sales</td>
<td>1,173</td>
<td>1,034</td>
<td>By pay and grain compensation allowances</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>of malies, etc.</td>
</tr>
<tr>
<td>Supplies to Hospital</td>
<td>32</td>
<td>10</td>
<td>Cost of manure</td>
</tr>
<tr>
<td>Supplies to other Departments</td>
<td>37</td>
<td>17</td>
<td>Cost of seeds</td>
</tr>
<tr>
<td>Deficit</td>
<td>27</td>
<td></td>
<td>Miscellaneous Expenses</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Surplus</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,269</td>
<td>1,051</td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>
IMPERIAL INSTITUTE OF VETERINARY RESEARCH, MUKTESAR.


337. The main functions of the Imperial Institute of Veterinary Research are the investigation of the diseases of domesticated animals in all provinces of India and the institution of suitable measures for the prevention and cure of such diseases by means of biological research in the laboratory and at the place of attack. The course of such biological research tended very early in the history of this Institute to the manufacture of certain sera and vaccines that could be used for the effective control of the diseases of domesticated animals. The remarkable success of these products and the increasing confidence with which they were used by Veterinary workers in different parts of India resulted in an ever-growing demand for them, and with the limited staff available the Institute has tended to become a factory. Research work has been mainly directed to the perfection of the original products and the discovery of new ones. Still, every endeavour has been made to improve methods of diagnosis and control as the result of laboratory experiment, to extend advanced instruction to the higher Veterinary Officers as well as Veterinary graduates, and to advise and prescribe in complicated cases baffling the skill of veterinary workers in different parts of the field. In order to undertake regular and systematic research in important types of animal diseases, to tackle which only sporadic attempts have so far been made, the assistance of the Imperial Council of Agricultural Research has been invoked and thanks to their generous help it will soon be possible to enlist the undivided attention of certain highly trained officers purely for Research. As this Review is intended to be published as one of the annexures to the Report on the Appropriation Accounts of the Central Government for the year 1929-30, only those activities of the Institute which have a financial bearing can be noticed here. A full and comprehensive record of the other activities of the Institute will be found in the Annual Report.

338. The following statement of the total number of doses of the principal products issued during the year under review and the two preceding years will indicate the heavy manufacturing work that has to be done. Total number of doses of the principal products issued during the last 3 years.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Anti-Rinderpest Serum</td>
<td>4,660,758</td>
<td>4,932,954</td>
<td>6,068,051</td>
</tr>
<tr>
<td>Hemorrhagic Septicaemia Serum</td>
<td>467,072</td>
<td>480,648</td>
<td>706,989</td>
</tr>
<tr>
<td>Haemorrhagic Septicaemia Vaccine</td>
<td>448,133</td>
<td>490,780</td>
<td>385,057</td>
</tr>
<tr>
<td>Black-quarter serum</td>
<td>88,069</td>
<td>82,953</td>
<td>83,179</td>
</tr>
<tr>
<td>Black-quarter aggressin</td>
<td>133,401</td>
<td>222,419</td>
<td>218,028</td>
</tr>
<tr>
<td>Mallein</td>
<td>90,129</td>
<td>34,369</td>
<td>45,576</td>
</tr>
<tr>
<td>Anti-Anthrax Serum</td>
<td>48,133</td>
<td>40,033</td>
<td>43,901</td>
</tr>
</tbody>
</table>

It is gratifying to note that this Institute is the chief source of supply of veterinary products to all parts of India, and also to a small extent to other countries of Western and Southern Asia from Baghdad to Hongkong.
The issue of Anti-rinderpest serum, Hæmorrhagic septicemia serum and Black-quarter serum shows a progressive increase. Anti-rinderpest serum which is the chief product has yielded Rs. 10,67,367-6 out of a total income of Rs. 15,60,237 for the year, but as there is an indication of the subsidence of Rinderpest in India the issue of this serum in the next few years may decline. Experiments on the preparation of a rinderpest vaccine have been in progress and it is hoped that they will soon bear fruit. Considerable difficulty has been experienced this year in manufacturing a sufficiently potent Anti-rinderpest serum for use in Serum-Simultaneous inoculations as well as for boosting up the deteriorated products of last year, but it is hoped that as a result of the research work, which is being done on this subject, this difficulty will soon be overcome. Some complaints have been received about the rapid deterioration of mallein issued in the previous years but we have succeeded in producing a more potent product, which it is hoped, will resist the influence of time and climate more successfully. In pursuance of the recommendation of the Royal Commission on Agriculture to distinguish as fully as possible between expenditure on Research and that on production it has been decided to transfer all production to the branch Institute at Izatnagar and as the necessary plant and buildings are provided at Izatnagar the entire manufacturing and distributing processes will be concentrated there. A beginning has been made this year by bottling and issuing from Izatnagar itself most of the products already manufactured there.

339. The different items making up the receipt and expenditure of the Institute for the year under review and for the two preceding years are tabulated below:

Statement of Receipts and expenditure for three years.

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of Sera, Vaccines and other products</td>
<td>12,70,763</td>
<td>14,22,482</td>
<td>11,08,938</td>
</tr>
<tr>
<td>Sale of animals</td>
<td>23,784</td>
<td>25,022</td>
<td>15,612</td>
</tr>
<tr>
<td>Sale of Garden products and reserved forests</td>
<td>1,619</td>
<td>156</td>
<td>154</td>
</tr>
<tr>
<td>Miscellaneous including Dairy receipts</td>
<td>14,488</td>
<td>20,781</td>
<td>11,786</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,60,237</td>
<td>14,68,421</td>
<td>12,25,550</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and travelling allowances</td>
<td>2,51,297</td>
<td>2,30,227</td>
<td>2,11,635</td>
</tr>
<tr>
<td>Purchase of animals</td>
<td>1,19,744</td>
<td>1,67,195</td>
<td>1,06,473</td>
</tr>
<tr>
<td>Feed and Keep of animals</td>
<td>2,29,524</td>
<td>2,23,688</td>
<td>2,10,158</td>
</tr>
<tr>
<td>Cost of chemicals</td>
<td>34,347</td>
<td>37,938</td>
<td>34,925</td>
</tr>
<tr>
<td>Other Supplies and Services and Contingencies</td>
<td>1,43,145</td>
<td>1,29,818</td>
<td>1,20,070</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,78,054</td>
<td>7,28,796</td>
<td>6,92,516</td>
</tr>
</tbody>
</table>

|                      |         |         |         |
| Net excess of receipt over expenditure | 7,82,183 | 7,58,625 | 5,33,284 |
| Percentage of expenditure to receipts | 49.86%  | 49.63%  | 56.50%  |
It will be noticed that the expenditure on salaries and allowances has not increased in the same proportion as that on the purchase of animals or on other supplies and contingencies which are in a large measure due to the greater demand for our products this year. Owing to greater care in purchase and economy in use the cost of chemicals has been reduced in the year under review and it will be further reduced next year. But from 1931-32 the expenditure on chemicals and apparatus is bound to go up as a result of the stimulation of research activities. The increased expenditure on salaries and travelling allowances is mainly due to the operation of time scales of pay. But as a few posts mostly of a minor character will be added in the next two years to enable the smooth and efficient functioning of the Institute a slight increase in this item is to be expected in the next two years.

340. The above figures disclose a progressive increase in the surplus or excess of receipts over expenditure as well as in the gross receipts. Though the surplus has exceeded the expenditure in this year as in the last it cannot, as pointed out in the last year’s review, be regarded as the true profit of the Institute in the commercial sense since the expenditure does not include interest on capital, depreciation on wasting assets, pensionary contribution, audit fee, etc. It is, however, clear that the sale prices of the products of the Institute are higher than the cost of their production warrants. The Government of India are in general agreement with the suggestion of the Royal Commission that the Factory side of the activities of the Institute should be regarded as an All-India Institution maintained to supply the different local Governments, Indian States, etc., with Veterinary products at cost price, and they have agreed to introduce early next year the system of cost accounts at the Branch Institute at Izatnagar. The products now manufactured therein account for 94 per cent. of the receipts, though some of the products have to be tested and stored at Muktesar. When the manufacture of all the products is concentrated at Izatnagar it will be possible to arrive accurately at the cost price of each of them.

341. In the following paragraphs an attempt will be made to present a comparative account of the most noteworthy features of the running of this Institute, viz., the purchase and feed of animals, the results of cultivation and the commercial accounts of the small Dairy at Muktesar.

Owing to increased production in the year under review 2,033 bulls and 2,209 buffaloes were purchased as compared with 1,844 bulls and 1,847 buffaloes last year. Because of defective rainfall in the last year the prices at which grain, hay and grass were purchased this year were much higher than those of the preceding year. But owing to careful supervision and avoidance of waste only 8,005 maunds of grain were utilised at Muktesar and 9,760 maunds at Izatnagar as against 9,162 maunds at Muktesar and 10,605 maunds at Izatnagar in the last year. The average price of buffaloes purchased fell to Rs. 29-8-0 as compared with average price of Rs. 34-1 in 1928-29. The average price at which buffaloes were sold after the period of protective manufacture was Rs. 14-10-0 as compared with Rs. 14-1 last year. The average price at which bulls were purchased at Muktesar in the year under review was Rs. 22-4-0 as compared with Rs. 23-0-0 last year. Special measures have been taken to acquire a better class of bulls in future and though the average price of bulls may go up it is expected that those bulls will live longer, prove better subject for experiment and cheaper in the long run. The morta-
lity among bulls before they are brought under experiment has been progressively reduced from 371 in 1927-28 to 250 in 1928-29 and to 100 in the year under review. By better feed and greater care it is hoped to reduce the figure still further in the ensuing years. The scarcity of hay both at Muktesar and Izatnagar has been a source of anxiety throughout the year and hay had to be purchased at high rates to supply the minimum requirements. A considerable part of the expenditure on hay will have to be met next year. If the monsoon is satisfactory next year we hope to reap a good yield of fodder from the cultivation areas at both the places and build up a Reserve therefrom thus avoiding the present hand-to-mouth existence, which has compelled us to pay such extortionate prices for hay.

342. The income from the Farms at Izatnagar and Muktesar worked out to Rs. 24,438 and Rs. 16,723 respectively as against last year's figures of Rs. 34,549 and Rs. 27,150, while the expenditure on the Farms at Izatnagar and Muktesar amounted to Rs. 38,276 and Rs. 23,974 respectively as compared with last year's figures of Rs. 33,216 and Rs. 29,196. As against a decrease of Rs. 5,282 this year in the expenditure on the Farms at Muktesar there was an increase of expenditure on the Farms at Izatnagar by Rs. 5,060, which was due to the employment of about 30 more coolies on an average each month to prepare and manure the land in a better manner for cultivation, and to the purchase of new implements. Owing to the grave scarcity of water and the partial failure of Rabi crop at Izatnagar and the partial failure of the Kharif crop in one of the estates at Muktesar and the locust invasion of another this year's cultivation receipts fell far below our expectations. As the land has been neglected for years intensive manuring has to be done for a few years longer before all the plots of land can yield a remunerative return. Special irrigation facilities have to be provided at Izatnagar if we are not to depend entirely on the monsoon for watering the crops. The Muktesar Forest, however, continues to produce the entire supply of wood fuel and charcoal required at the station and under the present careful policy of conservation there is no fear that it will soon be used up as a source of fuel supply. The regeneration of the Forest is proceeding according to plan and if all the Deedar plantings are successful they will develop into valuable timbers.

343. In the year under review commercial accounts have been maintained only for the Dairy. In accordance with the orders of Government of India in the Department of Education, Health and Lands conveyed in their letter No. 342-Agri., dated 28th February 1929, the cows forming the experimental and dairy herds were brought into one herd with effect from 1st April 1929 and a credit for Rs. 2,696, representing 30 per cent, of the total expenditure on the combined herd, was afforded to the Dairy account in respect of charges relating to research and experiment. A Balance Sheet showing the financial position of the Dairy on the 31st March 1930 and the production and Profit and Loss Account for the year 1929-30 are enclosed.

The working of the year showed a loss of Rs. 1,163 as compared with a profit of Rs. 1,501 for the last year and a profit of Rs. 1,056 for the period of nine months ending 31st March 1928. The loss is due to the following causes:

(a) While in the preceding years only the expenditure on cows in milk was debited to the Dairy accounts, since 1st April 1929 70 per cent. of the total expenditure on the combined herd, including dry cows and stud bulls, has been debited to the Dairy accounts.
(b) In this year the pay, leave and pensionary charges on the full pay of the Dairy Overseer have been charged instead of on half his pay as heretofore.

(c) Owing to an outbreak of parasitic gastritis two valuable cows died this year and special diet had to be provided for others, which were in a poor state of health. Steps have to be taken next year to replace these losses and overcome the evils of in-breeding, from which the herd is at present suffering, by purchasing two more cows and a new stud bull.

The reasons adduced above have led to a rise in the average cost of milk in the year under review. The average cost of production per seer of milk for

<table>
<thead>
<tr>
<th>Year</th>
<th>Figures at</th>
<th>Rupees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927-28</td>
<td>0.3-77</td>
<td>0.3-77</td>
</tr>
<tr>
<td>1928-29</td>
<td>0.3-10-25</td>
<td>0.3-10-25</td>
</tr>
<tr>
<td>1929-30</td>
<td>0.6-3-28</td>
<td>0.6-3-28</td>
</tr>
</tbody>
</table>

A comparative statement showing the quantity of milk produced, the quantity available for sale, and the surplus during the nine months ending on 31st March 1928, for 1928-29 and for the year under review is given below:

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>(nine months)</td>
<td>Seers.</td>
<td>Seers.</td>
<td>Seers.</td>
</tr>
<tr>
<td>Total milk yield</td>
<td>13,224</td>
<td>16,644</td>
<td>16,434</td>
</tr>
<tr>
<td>Loss in handling</td>
<td>267</td>
<td>371</td>
<td>223</td>
</tr>
<tr>
<td>Percentage of loss to total yield</td>
<td>2.02%</td>
<td>2.23%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Quantity available for sale</td>
<td>12,957</td>
<td>16,277</td>
<td>16,211</td>
</tr>
<tr>
<td>Quantity sold</td>
<td>12,554</td>
<td>15,778</td>
<td>15,702</td>
</tr>
<tr>
<td>Percentage of quantity sold to quantity available for sale</td>
<td>96.61%</td>
<td>96.93%</td>
<td>96.86%</td>
</tr>
<tr>
<td>Surplus fed to calves</td>
<td>499</td>
<td>499</td>
<td>508</td>
</tr>
<tr>
<td>Percentage of surplus fed to calves to quantity available for sale</td>
<td>3.09%</td>
<td>3.07%</td>
<td>3.14%</td>
</tr>
</tbody>
</table>

Section II.—Remarks by the Director of Commercial Audit.

344. Paragraph 340 of the Financial Review.—Attention is invited to the remark that, even this year, the surplus cannot be regarded as the true profit of the Institute since the accounts are not on a commercial basis. As pointed out last year, the large surplus would seem to indicate that the sale prices of the products of the Institute are higher than the cost of their production warrants. The results of the introduction of cost accounts at the Isatnagar Branch Institute where the manufacture of all the products is proposed to be concentrated are awaited (please see also paragraph 338 of Director’s Review).
345. Paragraph 342 of the Financial Review.—(a) The following statement giving the details of the income and expenditure during the year from cultivation on the various farms of the Institute may be of interest:

<table>
<thead>
<tr>
<th></th>
<th>Expenditure</th>
<th>Overheads</th>
<th>Total</th>
<th>Receipts from the Farm</th>
<th>Profit or Loss (—)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td><strong>Muktesar area</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Station Farm</td>
<td>2,155</td>
<td>287</td>
<td>2,422</td>
<td>5,791</td>
<td>1,369</td>
</tr>
<tr>
<td>Ritani Garden</td>
<td>1,721</td>
<td>287</td>
<td>2,008</td>
<td>4,814</td>
<td>—470</td>
</tr>
<tr>
<td>Surmani Farm</td>
<td>4,038</td>
<td>287</td>
<td>4,325</td>
<td>7,226</td>
<td>—2,999</td>
</tr>
<tr>
<td>Latoli Farm</td>
<td>13,380</td>
<td>394</td>
<td>13,774</td>
<td>8,861</td>
<td>—4,912</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>22,383</td>
<td>1,531</td>
<td>23,914</td>
<td>16,722</td>
<td>—7,192</td>
</tr>
<tr>
<td><strong>Izatnagar area</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>35,000</td>
<td>3,270</td>
<td>38,270</td>
<td>24,428</td>
<td>—13,828</td>
</tr>
</tbody>
</table>

The products of the Farm are valued at rates approved of by the Director. In the Izatnagar Branch, credit has been taken for value of fodder which the animals are presumed to have consumed while grazing, and the loss is about 36 per cent. In the Muktesar area, the loss under Ritani, Surmani, and Latoli amounts to 29 per cent., 57 per cent. and 36 per cent. of the total expenditure, although the overheads charged are less than Rs. 128 a month, representing roughly only one-eighth of the Farm Manager’s pay and one-fourth of the pay of the Farm Overseer, while the following officials are employed in the Farm Section:

- Farm Manager,
- Farm Overseer,
- Farm Office clerk,
- Cultivation Jemadar.

Besides, no debit has been included in these accounts in respect of the value of manure obtained from the droppings of animals of the dairy and of the veterinary section, the former of which alone amounted to Rs. 600 during the current year. A full system of costing would require also a share of the following charges to be included:

- Direction and Supervision, being a share of the salary of the Director and the Administrative officer,
- Interest on Capital,
- Depreciation on implements and live-stock,
- Cost of accountancy work done in the Central Office,
- Rent of Farm Buildings,
- Audit Fee and
- Leave and Pensionary contribution.

Even without taking any of the overheads at all, the produce in the Latoli Farm amounts to only 65 per cent. of the labour and other direct expenses, while the corresponding figure at Surmani is as low as 45 per cent. This would seem to indicate that the rates at which the produce is valued, need revision.
The revised rates can then be compared with the rates at which supplies can
be purchased at the spot when required.

(b) Forest produce.—The Muktesar Forest is under the administration of
the Institute and the produce therefrom during the year consisted of 15,189\frac{1}{2}
maunds of fuel wood, 1,258\frac{1}{3} maunds of charcoal and 2,149 maunds of fodder
for animals, besides other minor produce.

During the year, 568 deodar seedlings were planted in the forests as against
296 in previous year. 10 lbs. of oak and 20 lbs. of Pine chir seeds were also
obtained and sown in certain compartments. It is impossible, under the
present arrangement of accounts to gauge the precise financial effects of these
operations.

346. Paragraph 343 of the Financial Review.—As the dairy accounts dis-
close a loss of Rs. 1,163-5-10 as against a profit of Rs. 1,300-13-9 during the
previous year, the question of raising the selling prices of milk has been referred
for orders to Government in view of their orders of 28th February 1929 reducing
selling prices slightly in consequence of the profit made last year (paragraph
256 (page 145) of the Appendix to the Appropriation Accounts for the year
1928-29).

General.

347. It will be seen from the cases mentioned below how delays and defects
in contracts lead to losses of Government money:—

(i) The contract for the supply of hay to the Institute for the period 1st
November 1928 to 31st March 1929 was given out to a certain contractor. On
the 13th December 1928, that is, after the supply had commenced, the contract
deed was sent to the contractor for execution, but he refused to subscribe
to all the clauses set forth in the agreement, and later failed to supply the
stipulated quality of hay. The contract was never executed, and as a conse-
quence, the earnest money deposited by the contractor was forfeited to Gov-
ernment. The question of the levy of further penalty in the shape of forfeiture
of security deposit held by Government from the contractor was referred to
the Solicitor to the Government of India whose remarks are reproduced below—

"The contract form is not too clearly worded and contains no express
provision for terminating it on default. Moreover the contract was never
signed and Government have prejudiced their position by forfeiting the
earnest money before claiming the right to forfeit the security deposit." The
security deposit was then refunded to the contractor according to the
advice of the Government Solicitor.

Fresh tenders were called for and the order for further supplies was given
out to another contractor at a much higher rate—the resulting loss to
Government being roughly Rs. 2,850.

(ii) The contract for the supply of hay for the year 1929-30 up to an approxi-
mate quantity of 14,000 maunds was given out to a certain contractor who
was able to supply only 10,258 maunds. The question of levying the penalty
stipulated in the agreement is under consideration.

It may be pointed out, however, that arrangements have now been made
to standardise all the future contracts and the form of notice inviting tenders,
in consultation with the Solicitor to the Government of India.
348. The verification of the stores in hand at Muktesar disclosed a shortage of Rs. 6,920 and a surplus of Rs. 12,276 as detailed below—

<table>
<thead>
<tr>
<th>Surplus</th>
<th>Shortages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
</tr>
<tr>
<td>Chemicals</td>
<td>419</td>
</tr>
<tr>
<td>Apparatus</td>
<td>8,192</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2,665</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12,276</strong></td>
</tr>
</tbody>
</table>

The important shortages under "Miscellaneous" are—

- Pint bottles (empty) ............................................ Rs. 1,420
- Beer bottles (empty) .......................................... 457
- Planks ................................................................ 2,990
- Ballies ................................................................... 246

The chief items of surplus under "Apparatus" are—

- App. Projection ..................................................... 2,500
- Microscopes .......................................................... 1,092

It is explained that the discrepancies in stock were due to one or other of the following causes—

(i) That the stock-taking on previous occasions was not satisfactory and consequently did not disclose all the shortages and deficits which could have been dealt with earlier as they arose.

(ii) Errors in accounting due to one variety of articles being wrongly entered in the accounts under another variety of the same description of article resulting in a surplus in one and a deficit in another.

(iii) Loss of oil and other liquids due to leakage of tins and other containers, and due to spillage while issuing, etc.

(iv) Decay of planks and ballies due to their age and the action of the elements of nature.

In the case of ballies and planks particularly, it has been pointed out to Government that they have been in stock for several years and that the original purchase was thus apparently considerably in excess of the immediate needs. It is also understood that a considerable amount of stores surplus to the immediate needs of the Institute are now in hand, while stores no longer serviceable (particularly among the chemicals) also exist; if this is so, it has been suggested that arrangements be made for their early disposal.

The value of stores in hand at Muktesar on the 31st March 1930 is stated to be as below—

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of grain, fodder, etc.</td>
<td>12,000</td>
</tr>
<tr>
<td>Miscellaneous stores and chemicals</td>
<td>69,937</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>71,937</strong></td>
</tr>
<tr>
<td>or</td>
<td>72,000</td>
</tr>
</tbody>
</table>
As no priced stores ledgers have yet been introduced in the Izatnagar Branch, the value of stores there cannot be ascertained.

349. The loss during the year 1929-30 resulting from the sale, death and transfer of livestock as shown in the Profit and Loss account was Rs. 1,285 arrived at as follows:

<table>
<thead>
<tr>
<th>No. of cows</th>
<th>Book value</th>
<th>Value realized</th>
<th>Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale</td>
<td>6</td>
<td>900</td>
<td>210</td>
</tr>
<tr>
<td>Transfer</td>
<td>2</td>
<td>200</td>
<td>80</td>
</tr>
<tr>
<td>Death</td>
<td>2</td>
<td>325</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>1,285</strong></td>
</tr>
</tbody>
</table>

The strength of the milking herd at the commencement of the year 1929-30 was 12 and at the close of the year 18, the additions and disposals during the year being 16 and 10 respectively.

The following comparative statistics may be of interest:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strength of milking herd at close of year</td>
<td>18</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>No. of animals milked</td>
<td>4,050</td>
<td>4,410</td>
<td>3,000</td>
</tr>
<tr>
<td>Milk yield</td>
<td>16,433$</td>
<td>16,658$</td>
<td>13,225$</td>
</tr>
<tr>
<td>Average yield per day per cow</td>
<td>4 Srs. 0-78 ch.</td>
<td>3 Srs. 12$ ch.</td>
<td>3 Srs. 10$ ch.</td>
</tr>
</tbody>
</table>

350. It was decided that Rs. 100 per annum being the charges for Direction, Supervision and Accountancy work will be charged from the year 1929-30, but in the accounts for the year 1929-30 these charges have not been included and hence the real loss for the year has been understated.

In this connection it may be mentioned that a charge of Rs. 50 being the cost of audit as charged in the accounts is quite inadequate and that the correct charge is estimated at Rs. 125 per annum.

351. Interest has been calculated on the mean of the balance at the credit of the Capital account at commencement and at end prior to the debit of the 30 per cent, share of expenses for experiment and research.
**Dairy Attached to the Imperial Institute of Veterinary Research Institute, Muktesar.**

### Balance Sheet as at 31st March 1930

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>Reserve for indirect charges due to Government</td>
<td>268</td>
<td>509</td>
</tr>
</tbody>
</table>

| Government Capital account | 2,486 | 6,220 |

| Net Profit as per Profit and Loss account | 1,301 |       |

| Total | 4,055 | 6,720 |

<table>
<thead>
<tr>
<th>Assets</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Buildings</td>
<td>1,469</td>
<td>1,345</td>
</tr>
<tr>
<td>Less transfers</td>
<td>124</td>
<td></td>
</tr>
<tr>
<td>Loss depreciation</td>
<td>1,345</td>
<td>1,345</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>572</td>
<td>773</td>
</tr>
<tr>
<td>Less transfers</td>
<td>875</td>
<td>85</td>
</tr>
<tr>
<td>Loss depreciation</td>
<td>780</td>
<td>739</td>
</tr>
<tr>
<td>Furniture and Utensils</td>
<td>88</td>
<td>74</td>
</tr>
<tr>
<td>Additions</td>
<td>66</td>
<td>11</td>
</tr>
<tr>
<td>Disposals</td>
<td>97</td>
<td>113</td>
</tr>
<tr>
<td>Additions</td>
<td>43</td>
<td>32</td>
</tr>
<tr>
<td>Depreciation</td>
<td>140</td>
<td>145</td>
</tr>
<tr>
<td>Additions</td>
<td>15</td>
<td>17</td>
</tr>
<tr>
<td>Depreciation</td>
<td>125</td>
<td>128</td>
</tr>
<tr>
<td>Additions</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>Livestock</td>
<td>113</td>
<td>115</td>
</tr>
<tr>
<td>Debtors less Reserve for Doubtful debts</td>
<td>2,725</td>
<td>4,333</td>
</tr>
<tr>
<td>Net loss as per Profit and Loss account</td>
<td>425</td>
<td>368</td>
</tr>
<tr>
<td>Total</td>
<td>4,055</td>
<td>6,720</td>
</tr>
</tbody>
</table>

---

*Reserve for doubtful debts was shown in last accounts on the Liabilities side.*

P. N. Rajagopal,  
Personal Assistant to the Director, Imperial Institute of Veterinary Research, Muktesar.

F. Ware, F.R.C.V.S., I.V.S.,  
Director, Imperial Institute of Veterinary Research, Muktesar.

C. Bhaskaraiya,  
Assistant Director of Commercial Audit, Calcutta Circle.
### Production and Profit and Loss Account of the Dairy attached to the Imperial Institute of Veterinary Research, Mungpoo, for the year ended 31st March 1930.

<table>
<thead>
<tr>
<th>Dr.</th>
<th>1929-30</th>
<th>1929-30.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>To:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feeding Charges—Grain and Fodder</td>
<td>2,983</td>
<td>6,815</td>
<td>9,818</td>
</tr>
<tr>
<td>Wages and Salaries of staff</td>
<td>1,765</td>
<td>1,765</td>
<td>1,765</td>
</tr>
<tr>
<td>Lighting and Heating</td>
<td>178</td>
<td>178</td>
<td>178</td>
</tr>
<tr>
<td>sundry expenses</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Furniture and utensils written off</td>
<td>1,385</td>
<td>1,385</td>
<td>1,385</td>
</tr>
<tr>
<td>Loss of livestock</td>
<td>150</td>
<td>150</td>
<td>150</td>
</tr>
<tr>
<td><strong>Outstandings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit Fees</td>
<td>50</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Leave and Pensions contributions</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Interest on capital</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>22</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Furniture and Utensils</td>
<td>9</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Livestock</td>
<td>18</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Reserve for doubtful debts</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Net Profit</td>
<td>1,301</td>
<td>1,301</td>
<td>1,301</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,485</td>
<td>9,973</td>
<td>9,973</td>
</tr>
</tbody>
</table>
FOREST DEPARTMENT, ANDAMANS.


354. This review is prepared in compliance with the orders in Government of India, Finance Department, No. D/1360-F, dated 26th February 1930 with the object of presenting to the Legislature and the public a general account of the business conducted. As it is the first such review, it is pertinent to record a brief history of the Andamans Forest Department. The penal settlement was started in 1858 but the earliest figures available relating to forest receipts and expenditure date from 1869-70. Operations, at first confined to the immediate vicinity of Port Blair in the South Andamans, were gradually extended to the Middle Andamans and were practically limited to the exploitation of one species, now the well known Andaman padauk ("Pterocarpus Dalbergeoides"). A connection with the London market was established at an early date, logs being exported thereto and two other species, Koko and Pyinna, were introduced later.

In fact this market was the main one in the earlier years. Local needs of sawn timber necessitated the erection of a sawmill in Port Blair which used several other species of timber. This led to the gradual introduction of small quantities of such in the Calcutta market. Development on these lines underwent a decided change owing to conditions arising from the Great War. Demands arose for timber of all species during the years 1916-17 to 1918-19 and this served to establish many of them.

A London agency with Messrs. Howard Brothers was established in 1916 and a Calcutta agency with Messrs. Martin and Company in 1918. The former was terminated in 1928 and sales in the London market are now arranged through the Timber Adviser to the High Commissioner in London.

The improvement in demands for several species was preceded by a fall in demands for padauk which is attributed to the fact that large sales in the past destined for America began to drop owing to the substitution of iron for padauk in the manufacture of Pullman railway carriages. This rendered it the more necessary to find a market for other species. In fact this would have been necessary in any case, as padauk forests of the South Andaman had all been worked over as well as the more accessible portions of the Middle Andaman. Padauk however continued to be in demand in India and supplies available in the North Andaman led to entry into that area about 1920-21 and the erection of a mill there (at Stewart Sound) was decided upon not only in order to convert timber nearer the extraction camps rather than incur the large cost involved in transport to the South Andaman Mill but also to supplement the output from the latter in view of the increasing demands for sawn timber generally. Divergent opinions appear to have been held as to the kind of mill most suitable. An American band mill was ultimately erected. The
forest colony established at Bonington on Stewart Sound was made the head-
quarters of the New North Andaman Division and owing to changes in the
administration of the Andamans as a penal settlement, the policy was adopted
of limiting the employment of convicts as labourers to the South Andaman
Division. This fact has materially affected costs of working. In fact, the
reduction in the number of convicts now sent to Port Blair has necessitated
partial employment of free labour in the South Andaman Division also.
Convicts employed are paid the rates fixed by the Administration, but free
labour is obviously more expensive, involving recruiting and travelling ex-
penses both ways. Such labour, originally engaged only for 8 months but
now work for a year. These terms are expected to be improved gradually from
the Department's point of view as labour is established on the land. Some
Karen villages have already been formed. The North Andaman Mill ex-
perienced many vicissitudes which raised doubts as to whether it is entirely
suitable to deal with the hardwoods of these forests as a common feature of
the outturn was irregular cutting. The problem is not entirely solved yet but
the saving and outturn have improved.

The next change was the demand for match logs, first made by an Indian
Company in Rangoon. This arose in 1925-26 since when the exports of such
have increased from 212 tons to 15,924 tons in 1929-30. This change is re-
volutionary in that timber which was formerly used as floaters (as bamboos
are used elsewhere) to facilitate extraction of hardwoods (mostly sinkers) and
subsequently discarded, is now an important asset. In fact, one of the species
(White Dhup) is reported by the biggest Match Company buyer to be the
best for the purpose of all softwoods available in India or Burma. Another
species (Papita) is not quite so good, but is suitable and purchased in consider-
able quantities. Large supplies of both are available in the Andamans and has
led to the establishment of a match box veneer and splint factory in Port Blair
by one of the Companies. This Company also installed new machinery in
their factory at Calcutta in order to take larger logs and so obtain more sup-
plies, while their new factory in Madras requires regular supplies. They
are anxious to place orders totalling 30,000 tons annually if a sustained supply
can be guaranteed. The original large buyer in Burma who also similarly
installed new machinery, has yearly increased his purchase notwithstanding
local supplies of inferior woods at lower prices. It is reasonable therefore to
hope that this demand has arisen to stay.

355. The steady increase in activities and the complicated accounting
involved led to the examination of the system by the Assistant Director of
Commercial Audit, Madras, in 1929 with the result that the introduction of
commercial accounts was decided upon. That officer drew up a Balance Sheet
as on 31st March 1928 in which it was shown that the Capital invested by
Government as on that date was Rs. 26,55,417. It is not possible to compare
the profit arrived at for that year with any preceding period owing to the
absence of similar accounts, but it is apparent that the surplus of Revenue
over Expenditure prior thereto plus the Capital available on 31st
March 1928 was the total surplus in favour of Government from operations
since figures are available. The surplus from 1869-70 to 31st March 1928
was Rs. 18,67,999 hence Rs. 45,23,416 represents such net return. En passant,
it may be noted that the budget for the current year (1930-31) for the whole of the administration is as under—

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Settlement Authorities</td>
<td>3,13,900</td>
</tr>
<tr>
<td>Forest Department</td>
<td>19,99,900</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23,13,800</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Settlement Authorities</td>
<td>34,08,900 (a)</td>
</tr>
<tr>
<td>Expenditure on Forest Department</td>
<td>17,35,100 (b)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>51,44,000</strong></td>
</tr>
</tbody>
</table>

(a) Includes Rs. 9 lakhs for dredging operations.
(b) Includes Capital of Rs. 3,70,200.

These figures illustrate the importance to the administration of the forests in the Andamans.

356. The commercial accounts for 1928-29 were not audited in time for incorporation in the Appendix to the Appropriation accounts for that year hence this review is the first for publication therein. It should be recorded therefore that the profit earned during that year was Rs. 49,780-12-1. This comparatively small figure was due to the adjustment of stocks after overhauling balances on the books from previous years which were partly ineffective.

357. This brings us to the year 1929-30. Before reviewing the accounts for this year, it may be stated that no leases have been granted at any time to trading companies. Apart from petty extraction on permits for local consumption, all extraction is dealt with departmentally. The extent of such petty extraction is indicated by the following figures in Part II of the Profit and Loss account—

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty on timber</td>
<td>659 3 0</td>
</tr>
<tr>
<td>Fuel</td>
<td>143 12 0</td>
</tr>
<tr>
<td>Bamboo</td>
<td>24 14 9</td>
</tr>
<tr>
<td>Miscellaneous Produce</td>
<td>3,128 13 0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,932 10 0</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Loss</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure on Revenue Range in supervision thereof</td>
<td>2,327 4 7</td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td><strong>1,425 5 5</strong></td>
</tr>
</tbody>
</table>

The receipts from timber have been falling as consumers find it more convenient to purchase timber ready-sawn from our mills. The receipts on account of miscellaneous produce is chiefly the sale of the right to collect "pan" leaves. The departmental operations are divided into the following main stages:

(a) Felling and logging, (b) Dragging to Ghat Depots, (c) Transportation from Ghat Depots to Headquarters Depot, (d) Milling and (e) Export.
Cost sheets are prepared to arrive at the rate per ton for each of these stages. Though understood, the term "depot" as applied to (b) is somewhat of a misnomer, as there are no regular depots other than at headquarters. Logs are dragged from the felling areas to the nearest part of the coast or tidal creek and collected when required for stage (c). A comparatively sheltered locality during one monsoon becomes exposed and difficult to work in during the other, as all transportation is by sea. Failure of the camp water or elephant fodder supply are other factors which have influenced operations, so that in the past it has sometimes been found necessary to abandon camps while some logs remain unremoved and it was not found economical to return thereto next season for relatively small quantities, most of which decay rapidly. These circumstances have led to the adoption of the quantity transported to the headquarters depot as the divisor for costs, as such quantity is the initial effective asset. The quantities in felling areas and ghat depots are, however, controlled and reviewed in quantity accounts.

The rapid increase in the demand for match logs led to supplementing departmental extraction by the employment of contractors who deliver at ghat-stages (b) above. The employment of contractors has led to some ex-convicts importing their families and buffaloes instead of leaving the Andamans on expiry of their sentence. The advantage of this is obvious.

358. We come now to a consideration of the accounts for 1929-30. The accounts published are the Trading and Profit and Loss accounts and the Balance Sheet.

359. Extraction of logs.—(a) The figures are as follows:—

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>North Andaman</td>
<td>South Andaman</td>
</tr>
<tr>
<td>Departmental</td>
<td>15,103</td>
<td>15,118</td>
</tr>
<tr>
<td>Contractors</td>
<td>2,191</td>
<td>10,032</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17,294</strong></td>
<td><strong>25,170</strong></td>
</tr>
</tbody>
</table>

|                     | **42,554**    | **37,131**    |

The decrease in the North Andaman was due partly to large stocks on hand on 31st March 1929 and partly to mill trouble. The increase in the South Andaman was in order to cope with the demand for match logs. Our transport facilities were employed to the limit of their capacity. The acquisition of a new barge now in use should enable more timber to be brought in.

(b) The all in cost of extraction for both North and South Andamans has improved as compared to that of 1928-29. The cost is higher in the South Andaman Division because of the employment of the Steamer "Rosamond."
for transport from the Middle Andamans to Port Blair, whereas the North Andaman Division have been working in virgin forests nearer headquarters, and transportation was confined to towage of rafts in creeks by launches. The conditions there are now changing, and the necessity for working on Interview Island off the west coast has resulted in the purchase of the "Montagu Douglas" for that Division, hence the transport costs will not be so disproportionate in future.

360. Disposal of logs.—The following are the figures:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th></th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>North</td>
<td>South</td>
<td>Calcutta</td>
</tr>
<tr>
<td>Opening Balance</td>
<td>2,527</td>
<td>923</td>
<td>330</td>
</tr>
<tr>
<td>Rough Hewn Squares</td>
<td>147</td>
<td></td>
<td></td>
</tr>
<tr>
<td>wrongly shown as mill</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>sawn</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transported during</td>
<td>17,384</td>
<td>25,170</td>
<td></td>
</tr>
<tr>
<td>the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sent from the Andamans</td>
<td></td>
<td>6,300</td>
<td></td>
</tr>
<tr>
<td>Transfers between</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Divisions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Found surplus</td>
<td>183</td>
<td>128</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>20,241</td>
<td>26,421</td>
<td>6,633</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Exported</th>
<th>Into Mill</th>
<th>Transfers between divisions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6,547</td>
<td>11,958</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>9,692</td>
<td>13,600</td>
<td>139</td>
</tr>
<tr>
<td></td>
<td>2,625</td>
<td>13,356</td>
<td>191</td>
</tr>
<tr>
<td></td>
<td>6,497</td>
<td>13,468</td>
<td>4,104</td>
</tr>
<tr>
<td></td>
<td>400</td>
<td>407</td>
<td>5,836</td>
</tr>
<tr>
<td></td>
<td>141</td>
<td>10</td>
<td>120</td>
</tr>
<tr>
<td></td>
<td>774</td>
<td>159</td>
<td>207</td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>72</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>19,470</td>
<td>24,468</td>
<td>6,133</td>
</tr>
<tr>
<td></td>
<td>22,197</td>
<td>20,214</td>
<td>4,317</td>
</tr>
<tr>
<td></td>
<td>762</td>
<td>2,013</td>
<td>500*</td>
</tr>
<tr>
<td></td>
<td>2,527</td>
<td>923</td>
<td>330</td>
</tr>
</tbody>
</table>

* In transit on 31st March 1929 for delivery ex-ship. The exports which consisted of 15,564 tons of match logs and 313 tons of other timbers, are dealt with in further detail in para. 369 below. The increase in exports is due to the match log trade. The mill intake is dealt with later under milling. The write-off of 774 tons in the North Andaman Division is made up as under:

<table>
<thead>
<tr>
<th>Type of Adjustment</th>
<th>Tons.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Losses from rafts caught in storms or heavy seas</td>
<td>176-73</td>
</tr>
<tr>
<td>(b) Re-measurement during the year</td>
<td>300-70</td>
</tr>
<tr>
<td>(c) Adjustment of short measurements in previous years</td>
<td>292-72</td>
</tr>
<tr>
<td></td>
<td>774-18</td>
</tr>
</tbody>
</table>
Against (b) must be set remeasurement gains of 168-94 tons included in the figure of 183 tons shown as found surplus. The net loss of 136-76 tons represents a very small percentage of the total transported. The differences occur as the ghat measurements are made by low-paid agency.

Item (c) was due to the opening book balance being greater than it should have been owing to short measurements of issues in previous years. The stocks are now effective and the arrangements for measurement improved.

As regards the South Andaman Division, the value of the timber used departmentally is adjusted in the financial accounts. The improvement in sales will continue owing to the establishment of a local match factory. The write off of 159 tons includes a shortage of 117-35 tons which is counterbalanced by an excess of 113-97 tons included in the figure of 128 tons shown as found surplus. These differences were due to confusion between different species, remedied at stock-taking. The balance of the write off was due to losses from rafts and slight differences on remeasurement.

The closing stocks are not excessive. The position in Calcutta has been improved by the sale of all logs ex-ship.

361. Milling.—(a) The quantity accounts are as follows:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>North Andaman</td>
<td>South Andaman</td>
</tr>
<tr>
<td>Intake</td>
<td>11,988-23</td>
<td>13,958-86</td>
</tr>
<tr>
<td>Cutturn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Squares</td>
<td>1,054-97</td>
<td>1,338-05</td>
</tr>
<tr>
<td>Scantlings</td>
<td>2,909-81</td>
<td>5,063-45</td>
</tr>
<tr>
<td>Total</td>
<td>4,464-78</td>
<td>6,408-90</td>
</tr>
<tr>
<td>Wastage</td>
<td>7,465-47</td>
<td>7,586-36</td>
</tr>
<tr>
<td>Percentage of intake</td>
<td>62-41%</td>
<td>52-86%</td>
</tr>
<tr>
<td>Products of Wastage—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defective scantlings</td>
<td>166-74</td>
<td></td>
</tr>
<tr>
<td>Shingles</td>
<td>65,809 Nos.</td>
<td>4,381,490 Nos.</td>
</tr>
<tr>
<td>Firewood</td>
<td>3,7494</td>
<td>3,7164</td>
</tr>
<tr>
<td>Total outturn in terms of scantlings only</td>
<td>3,820-79</td>
<td>5,809-28</td>
</tr>
<tr>
<td>Wastage</td>
<td>8,137-56</td>
<td>7,791-58</td>
</tr>
<tr>
<td>Percentage of intake</td>
<td>68-00%</td>
<td>58-91%</td>
</tr>
</tbody>
</table>

*North Andaman Mill.*—The decrease in intake compared with 1928-29 was due to the mill being closed for repairs throughout April 1929. The drop in the outturn of squares was due to the demands for timber in this form. The percentage of wastage for the 2 years can be fairly compared only when the outturn is reduced to a common denominator. This is done in terms of scantlings in order to arrive at the cost divisor for the financial accounts. It was found by experiment that the same quantity of timber yielded 5 tons of
squares or 3 tons of scantlings and this ratio is adopted. On this basis, the percentage of wastage of intake in 1929-30 was 68.05 per cent. against 62.97 per cent. in 1928-29. This is due to the stricter classification of outturn. The outturn of defective scantlings (i.e., those sawn irregularly) is now shown separately and excluded from the cost divisor with the result that the cost of production is distributed over effective timber only. Sales of defective scantlings at a reduced rate will thus be clear profit. Including the defective outturn of 166.74 tons during 1929-30 for comparison with 1928-29 the percentage of wastage works out to 66.65 per cent. against 62.97 per cent. The difference is due to stricter rejections on account of sapwood content.

South Andaman Mill.—The improvement during 1929-30 is satisfactory. It is not easy to compare the 2 divisions as the mills are of different types. That in the South Andaman is an English Circular Saw Mill while that in the North Andaman is an American Band Saw Mill. The question of reduction of wastage by the use of a resaw in the North Andaman is receiving attention.

(b) The cost per ton of scantlings in the North Andaman has increased while in the South Andaman it has been reduced.

The increase in the cost rate per ton in the North Andaman is wholly due to the reduction in the outturn divisor from 4,956 tons in 1928-29 to 3,821 tons in 1929-30, as the actual expenditure on milling was Rs. 20,411 less than the previous year. The divisor has already been dealt with under sub-para. (a) above.

The improvement in the South Andaman is due largely to the reduction in the cost of the log—para. 359. (b) above—and partly to the better outturn divisor.

The Chief reasons for the difference in cost between the 2 mills are (1) the need for an Expert European Filer on high wages for the band mill in the North Andaman, (2) the employment of free labour in the North Andaman Division and (3) the higher capital cost of that mill which results in heavier charges for interest and depreciation. It is considered that the capital cost adopted when the commercial accounts were started is excessive, as the figure then on record appears to have included a share of preliminary expenses incidental to the establishment of a colony in virgin forests. Proposals for a reconsideration of this figure will be submitted to Government.

In view of the disparity in costs in both mills, it is interesting to consider the results on trading in sawn timber this year, shown in Part I of the Profit and Loss Account. The figures are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Profit Rs.</th>
<th>Loss Rs.</th>
<th>Net Profit Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Andaman</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Squares</td>
<td>1,09,133</td>
<td>4</td>
<td>1,09,129</td>
</tr>
<tr>
<td>Scantlings</td>
<td></td>
<td>44,841</td>
<td>64,292</td>
</tr>
<tr>
<td>South Andaman</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Squares</td>
<td>14,683</td>
<td>3</td>
<td>14,680</td>
</tr>
<tr>
<td>Scantlings</td>
<td>38,320</td>
<td>8</td>
<td>38,312</td>
</tr>
</tbody>
</table>

The explanation is that the North Andaman Division supplies most of the Padauk, which is the best paying timber produced in considerable quantities in the Andamans. It is hardly equitable to consider scantlings alone, as the
ratio of squares to scantlings influences the cost divisor very considerably as under:

Let \( X = \text{Expenditure on milling plus cost of logs} \)

Then the cost of production is:

<table>
<thead>
<tr>
<th>Outturn of</th>
<th>7 Tons Squares</th>
<th>1 Ton Squares</th>
<th>7 Tons Scantlings</th>
<th>1 Ton Scantlings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Squares</td>
<td>3X</td>
<td>3X</td>
<td>26</td>
<td>28</td>
</tr>
<tr>
<td>Scantlings</td>
<td>6X</td>
<td>6X</td>
<td>26</td>
<td>28</td>
</tr>
</tbody>
</table>

Thus, the denominator in the above fractions increases by 2 from 26 to 28 according as 1 ton is decreased under squares and increased under scantlings. The following table shows this:

<table>
<thead>
<tr>
<th>Outturn in Tons.</th>
<th>Squares</th>
<th>Scantlings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Squares</td>
<td>6 1 2 3 4 5 6 7 8</td>
<td></td>
</tr>
<tr>
<td>Scantlings</td>
<td>8 7 6 5 4 3 2 1 0</td>
<td></td>
</tr>
</tbody>
</table>

| Outturn in terms of scantlings on adopted ratio | 8 7 6 5 4 3 2 1 0 | 40 38 36 34 32 30 28 26 24 |

The loss of Rs. 44,841 represents approximately Rs. 16 per ton on the outturn of 2,810 tons of scantlings. The question requires consideration in the following aspects:

(a) Economy in expenditure.
(b) Increased outturn to lower cost per ton.
(c) Closing the Mill.

Reduction was effected this year as already indicated and a further reduction of about Rs. 8,000 per annum has occurred in 1930-31 owing to the engagement of a Mill Engineer on a lower pay in place of the former Engineer who resigned in June 1930. The latter combined the duties of Manager and Engineer, but better results have been attained since by putting the new Engineer under the Filer whose expert duties are pivotal.

As regards (b), the suspension of work due to repairs has now been reduced and a better outturn is expected in the current year.

In view of the net profit on sawn timber, the question of the closing of the mill does not arise immediately. The answer to the possible enquiry why the South Andaman Mill cannot cut up the timber instead, is that not only is its capacity less than the total available for sawing, but the cost would increase there also, in view of the greater distance for transport.

The forests consist of mixed species and to limit extraction to employ only the South Andaman mill would reduce the quantity transported and therefore, by increasing the cost of the log, reduce the profit on sale of logs.
It is not possible to increase production of match logs under such conditions, as a proportion of floaters must be left standing to facilitate extraction later of hardwoods (sinkers) not taken out, hence the maintenance of even the existing outturn of match logs would necessitate extraction over a larger area, involving additional labour and elephants. Closing the mill would inevitably result in the write off of practically the whole capital cost, as even if it could be sold, which is extremely doubtful, the small price that would be obtained would be diminished by the cost of dismantlement, export and freight. The interest and depreciation during 1929-30 amounted to Rs. 46,611 hence even an annual loss on sawn timber to this extent till the capital cost is reduced to nil and thereafter an annual loss of a sum equal to the interest of Rs. 22,746 would be a better economic proposition, as not only would the production cost of match logs be kept down but additional cargo would be provided to fill the Andaman Chartered Steamers. The opening up of the North Andaman is also an indirect advantage.
### Disposal of sawn timber

The following figures show the position in regard to this:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th></th>
<th>1928-29</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>North Andaman</td>
<td>South Andaman</td>
<td>Calcutta</td>
<td>North Andaman</td>
</tr>
<tr>
<td>Opening stocks</td>
<td>964</td>
<td>646</td>
<td>133</td>
<td>1,228</td>
</tr>
<tr>
<td>Mill Outturn</td>
<td>1,685</td>
<td>2,810</td>
<td>1,388</td>
<td>5,065</td>
</tr>
<tr>
<td>Found surplus</td>
<td>6</td>
<td>1</td>
<td>1</td>
<td>30</td>
</tr>
<tr>
<td>Transferred from Division</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transferred from the Logs Account</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sent from the Andamans</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sent from Dehra Dun</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sawn from logs and squares</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,555</td>
<td>3,457</td>
<td>1,522</td>
<td>6,323</td>
</tr>
<tr>
<td>Exported</td>
<td>2,281</td>
<td>1,830</td>
<td>1,321</td>
<td>3,503</td>
</tr>
<tr>
<td>Sales</td>
<td>40</td>
<td>8</td>
<td>933</td>
<td>2,843</td>
</tr>
<tr>
<td>Used departmentally</td>
<td>69</td>
<td>204</td>
<td>99</td>
<td>460</td>
</tr>
<tr>
<td>Free grants</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Written off</td>
<td>12</td>
<td>12</td>
<td>9</td>
<td>197</td>
</tr>
<tr>
<td>Classified as defective</td>
<td>147</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To Logs account see para. 360</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers between Dus.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sawn into scantlings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total issues</strong></td>
<td>2,510</td>
<td>2,244</td>
<td>1,428</td>
<td>4,916</td>
</tr>
<tr>
<td>Closing stocks</td>
<td>145</td>
<td>1,213</td>
<td>94</td>
<td>1,407</td>
</tr>
</tbody>
</table>

(a) Includes 50 tons in transit on 31st March 1930.
The exports are dealt with in para. 363 below. The value of timber used departmentally is adjusted in the financial accounts.

The figure of 122 tons against North Andaman issues represents defective scantlings included in the opening stock of the year, vide remarks in para. 361(a). The value of this quantity (viz., Rs. 9,985-11-0) has been written off by debit to the Profit and Loss account (Part III) this year in order to render the valuation of closing stock effective. An account is kept of such and any sales will accrue as miscellaneous receipts.

The closing stocks are as under:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Andaman</td>
<td>145</td>
<td>1,213</td>
</tr>
<tr>
<td>South Andaman</td>
<td>94</td>
<td>1,407</td>
</tr>
<tr>
<td>Calcutta</td>
<td>350</td>
<td>96</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>589</td>
<td>2,716</td>
</tr>
</tbody>
</table>

The fall in sales in the Calcutta market has caused the increase in stocks of scantlings. The question of disposal there is dealt with in para. 363 below.

363. The details of the exports are as follows:

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcutta</td>
<td>6,260</td>
<td>2,429</td>
</tr>
<tr>
<td>Rangoon</td>
<td>6,025</td>
<td>45</td>
</tr>
<tr>
<td>Madras</td>
<td>1,029</td>
<td>1,009</td>
</tr>
<tr>
<td>London</td>
<td>313</td>
<td>1,508</td>
</tr>
<tr>
<td>Bombay</td>
<td>1,029</td>
<td>974</td>
</tr>
<tr>
<td>Dehra Dun for research</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>Other Ports</td>
<td>8</td>
<td>208</td>
</tr>
<tr>
<td>From North Andaman to South Andaman</td>
<td>53</td>
<td>147</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>16,291</td>
<td>3,749</td>
</tr>
</tbody>
</table>

Scantlings alone show a falling off. Severe competition is experienced in Calcutta due to imports from Burma which are sold at lower prices. A large exporter from Burma assured the writer that his Calcutta trade is a loss to him, but necessary to dispose of inferior timber which he must extract. Such losses are made up on trading in superior timbers. Our Calcutta Agents (Messrs. Martin and Company) assure us that if our prices can be reduced, a much larger volume of business can ordinarily be done. The present trade depression, which, it is anticipated, is only a temporary matter, does not necessitate immediate action, but steps are being taken against a revival to increase the outturn of the mills and the London trade at better prices to enable us to reduce such in Calcutta.
Provided all can be sold, an increased outturn will lower costs and thereby improve the net receipts on sawn timber. The fall in exports to Madras was due to a smaller number of sailings to that port in 1929-30.

364. Profit and Loss Account.—This is divided into three parts:

Part I shows the results of trading in timber during the year,

Part II the miscellaneous transactions of the year, and

Part III transactions during the year relating to trading of previous years.

The results in Part I are:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit.</td>
<td>Profit.</td>
</tr>
<tr>
<td></td>
<td>Rs. A. F.</td>
<td>Rs. A. F.</td>
</tr>
<tr>
<td>North Andaman</td>
<td>1,03,746 10 9</td>
<td>1,09,133 7 4</td>
</tr>
<tr>
<td>South Andaman</td>
<td>1,48,120 10 3</td>
<td>14,083 13 4</td>
</tr>
<tr>
<td>Total</td>
<td>2,51,869 10 0</td>
<td>1,23,217 4 8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

|           | 1,16,666 12 1 |

Larger exports from the South Andaman account for the difference under logs. The prices for logs in Rangoon are less than elsewhere, but this is due to competition with local supplies. Sailings to that port are necessary for administrative purposes and for export of coconuts by local producers.

The results on sawn timber are dealt with in the remarks in para. 361 (b) above.

The principal items in Part II are—

(1) Loss on fuel account ... Rs. 6,101-6-1.

(2) Expenses on idle plant ... Rs. 17,236-5-7.

Item (1) is more than accounted for by the debit of Rs. 6,708 to the fuel account, being the book value of logs and deteriorated scantlings used in preparation of rafts for removal of fuel. Logs available for export are sometimes not loaded for want of further space on steamers. Those that were liable to rapid deterioration were used in rafting fuel, and deteriorated scantlings were sometimes used to bind the rafts. If a charge lower than the book value had been adjusted, the difference would have appeared as a less elsewhere, i.e., under log and sawn timber trading.

Item (2) relates to the new sawmill in the South Andaman Division the erection of which was completed but could not be used pending the erection of an electric gantry to handle the output. This was completed in April 1930 and the mill is now in use. The new mill was obtained cheap from the Burma Government who disposed of it before unpacking on delivery by makers, owing to objections regarding departmental operations in competition with private concerns. By a partial dismantlement of a few benches in the old mill it is possible to run both with only a slight increase over the labour necessary for the old mill. The new mill was acquired with the object of cutting sizes
in demand which it was not possible to deal with in the old mill without considerably slowing down the output.

The principal items in Part III are—

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Profit—Sales of old stocks and refund of expenses relating to the London Agency (now closed)</td>
<td>27,476 14 0</td>
</tr>
<tr>
<td>(2)</td>
<td>Loss—Write off of value of defective scantlings North Andaman</td>
<td>9,085 11 0</td>
</tr>
<tr>
<td>(3)</td>
<td>Loss—Adjustment of book balances of logs North Andaman</td>
<td>4,174 12 9</td>
</tr>
</tbody>
</table>

Regarding (1) The London Agency has been terminated and sales are now effected through the Timber Adviser to the High Commissioner for India.

An audit was conducted in London prior to the closing of that agency.

Item (2) represents the value of defective scantlings in stock on 1st April 1929. This is dealt with in para. 361 (a) above.

Item (3) is the effect of the adjustment referred to in para. 360 (c) above.

The net profit for the year of Rs. 3,32,426-6-6 has accrued after adjusting as interest on capital the sum of Rs. 1,28,167 which sum is calculated on the total due to Government on 1st April 1929 as shown in the previous years' Balance Sheet plus half the difference between the withdrawals from and payments into the Treasury during the year. Such capital figure amounted to Rs. 24,98,717-3-4. Thus the total of net profit and interest or Rs. 4,60,589-6-6 represents a return of 18-43 per cent.

365. Assets.—The fixed assets on 31st March 1930 total Rs. 20,81,813-10-5 against Rs. 18,21,974-15-10 on 31st March 1929.

The principal new items are—

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Construction of the S. I. &quot;Mountagno Douglas&quot; for the North Andaman Division</td>
<td>1,53,633</td>
</tr>
<tr>
<td>(2)</td>
<td>Travelling Steam Crane for the North Andaman Division</td>
<td>23,064</td>
</tr>
<tr>
<td>(3)</td>
<td>Electric Gantry for the new mill South Andaman Division</td>
<td>48,221</td>
</tr>
<tr>
<td>(4)</td>
<td>Plantations</td>
<td>24,251</td>
</tr>
<tr>
<td>(5)</td>
<td>Working Plan Enumerations</td>
<td>26,206</td>
</tr>
<tr>
<td>(6)</td>
<td>Steel barge for the South Andaman Division</td>
<td>57,038</td>
</tr>
<tr>
<td>(7)</td>
<td>Buildings at North Andaman.—Chiefly a new Forest rest house</td>
<td>8,554</td>
</tr>
<tr>
<td>(8)</td>
<td>Buildings at South Andaman.—Chiefly a new rest house and quarters for the Assistant Mill Manager for the new mill</td>
<td>12,183</td>
</tr>
<tr>
<td>(9)</td>
<td>New machinery for South Andaman mill</td>
<td>6,297</td>
</tr>
<tr>
<td>(10)</td>
<td>New machinery for North Andaman mill</td>
<td>9,742</td>
</tr>
<tr>
<td>(11)</td>
<td>Miscellaneous Items</td>
<td>12,333</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total</th>
<th>3,81,422</th>
</tr>
</thead>
</table>

Loss Depreciation written off during the year

Net increase | 2,59,539
The reasons for item (1) are referred to in para. 359 (6) above. Item (2) is to facilitate loading from the jetty at the North Andaman.

Item (3) is an adjunct of the new mill—vide remarks in para. 364 above.

Items (4) and (5) include interest capitalised. They will be charged off to production costs as the plantations concerned are exploited or as operations are introduced in the areas enumerated.

Item (6) is to enable more timber to be transported in the South Andaman Division.

Item (11) includes the extension of the sea wall at the North Andaman, acquisition of more boats required in connection with the increased extraction, provision of necessary forest roads, etc.

Floating assets, viz., Stores and Stocks of timber are effective.

As regards the future, the sanctioned budget for the year 1930-31, includes a provision of Rs. 1,84,600 for the introduction of mechanical means (skidding operations) for extraction of logs. Exploitation further from the coast line is becoming urgent. This would have increased costs of extraction owing to longer drags by elephants from felling areas to creeks, while there was the probability of being unable to work at all with elephants in several areas, not only on account of the broken contours, but also the scattering of camps which would render protection against hostile aborigines (Jarawas) very expensive.

This led to an investigation by an Expert Logging Engineer whose report in favour of the introduction of mechanical means was adopted by the Government of India and operations will start shortly. Another large purchase in 1930-31 will be a tug for about Rs. 50,000. This will replace an old launch now worn out and will facilitate transport of increased quantities in the South Andaman Division. The main future requirement is the replacement of the S. V. "Rosamond". This vessel has been the sole means of transporting logs in the South Andaman for the past 19 years. The engines were transferred from its predecessor. It has almost reached the end of its career. The depreciated value on 31st March 1930 is Rs. 78,041 and write off of depreciation at the existing rate will reduce such value to Rs. 17,715 on 31st March 1932 by which date it is hoped the new vessel asked for should be ready. Provision for Rs. 2,00,000 has been made in the Budget for 1931-32 for payments by instalments during construction and the balance of Rs. 1,50,000 will be asked for in 1932-33 payable on delivery of the completed vessel. If the residual value of Rs. 17,715 is not realised by the sale of the old vessel it will be necessary to write this sum off. It is considered that the depreciation now allowed for is already excessive, owing to the absence of Commercial Accounts in earlier years and the difficulty of valuing the vessel exactly on the date of commercialisation of the accounts.

**SECTION II.—REMARKS BY THE DIRECTOR OF COMMERCIAL AUDIT,**

306. The Forest Department, Andamans, is working under ordinary budget control but pro-forma commercial accounts have been prepared to show the working results of the department on a commercial basis. In preparing these accounts the necessary adjustments have been made for the outstanding
liabilities, stock and other balances at the beginning and at the end of the year and the following indirect charges:—

(i) Interest on Capital,
(ii) Contribution for leave and passage,
(iii) Contribution for pension and
(iv) Audit Fees.

The working of the year resulted in a net profit of Rs. 3,32,426 against a profit of Rs. 49,781 in 1928-29 without taking into account any charge for royalty on logs extracted from the Forests. The progressive total of the profits earned during the three years for which pro-forma commercial accounts have been prepared is given below:—

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit for 1927-28</td>
<td>3,03,300</td>
</tr>
<tr>
<td>&quot;  1928-29</td>
<td>49,781</td>
</tr>
<tr>
<td>&quot;  1929-30</td>
<td>2,32,426</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,85,407</strong></td>
</tr>
</tbody>
</table>

From a commercial standpoint the inclusion of royalty in the accounts of the concern will give more correct working results. It may be that large expenditure has not been incurred in raising the forests now felled. Exploitation by Departmental Agency may be considered to be justifiable only if it is more economical than leasing out the forest to private agency on the basis of a royalty on trees extracted or a lump sum payment. The commercial accounts might therefore be debited with royalty at rates similar to those recovered from contractors and it has been suggested for the consideration of Government.

**3267.** The results of trading in the various Indian and foreign markets for the two years 1929-30 and 1928-29 are compared below:—

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Measure, Martin &amp; Co., Agency at Calcutta</td>
<td>1,11,676</td>
<td>39,000</td>
</tr>
<tr>
<td>Madras Market</td>
<td>32,325</td>
<td>-2,200</td>
</tr>
<tr>
<td>Rangoon Market</td>
<td>69,932</td>
<td>-656</td>
</tr>
<tr>
<td>Bombay Market</td>
<td>27,013</td>
<td>61,409</td>
</tr>
<tr>
<td>Local Market</td>
<td>7,825</td>
<td>772</td>
</tr>
<tr>
<td>London Market</td>
<td>6,805</td>
<td>37,219</td>
</tr>
<tr>
<td>Other Markets</td>
<td>299</td>
<td>22,083</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,55,995</td>
<td>1,23,764</td>
</tr>
</tbody>
</table>

**Note.—**Minus figures represent losses.
The improvement in the Trading results was due to the following causes:—

(i) Low average cost of production on account of the greater quantity of effective output and low mortality of elephants during the year,

(ii) Better prices obtained during the year,

(iii) Larger turnover of logs and squares where sales always resulted in a profit; and

(iv) Smaller turnover of scantlings in the Indian markets where sales did not cover the cost plus expenses.

(v) Small rejections in shipments sent abroad.

In arriving at the cost of production, the quantity transported to the Sale Depots has been taken as the effective output irrespective of the quantity felled and logged at the Forests, as the logs left behind in and near the felling areas are sometimes abandoned if they are not worth bringing out at the extra expense that would be involved.

368. The value of the timber stock at the end of the year 1929-30 amounted to Rs. 2,59,291 against Rs. 3,42,072 at the end of the previous year. As mentioned above, this stock does not include the logs left in the felling areas and at the Ghat Depots along the sea front. Of these stocks, the logs in North Andaman Division worth Rs. 10,760 has been verified by the Divisional Forest Officer by actual measurement and those with Messrs. Martin and Co., Calcutta, worth Rs. 25,481 certified by them as correct. The other stock figures have been taken from the stock books. The stock have been valued at cost or market price whichever was less.

369. There has been an improvement in the Trading results of the transaction through Messrs. Martin & Co., during the year which was mainly due to:—

(i) Lower cost of production

(ii) Larger turnover of logs and squares resulting in greater profit,

(iii) Smaller turnover of scantlings resulting in a reduction of loss thereon,

(iv) Slightly better prices obtained during the year and,

(v) Sales being effected mostly on "Ex-ship" terms, thereby reducing considerably the delivery and other charges.

370. Para 355 of the Chief Forest Officer’s review.—The balance of Government Capital as on the date the accounts were drawn up by this Branch is merely the difference between the various assets and liabilities of the Department. In other words it is the net outlay by Government in the forest scheme consisting of the various assets. It is incorrect to couple this item with the surplus of revenue over expenditure of the previous years and deduce that the sum of the two items represents the net return to Government.

371. Para 364 of Chief Forest Officer’s review.—The actual profit pertaining to the years transactions after charging interest amounts to Rs. 3,14,447. The capital at the beginning of the year including reserves for interest, indirect charges and profits due to Government was Rs. 26,81,971. The percentage of profit on capital outlay would, therefore, work to 11.37 per cent.
372. Para 365 of the Chief Forest Officer's review.—The fixed assets (less depreciation) on 31st March 1930 according to the Balance Sheet drawn up amount to Rs. 20,69,435 against Rs. 18,14,811, the net increase being Rs. 2,54,624. The net increase as per the review amounts to Rs. 2,59,839, the difference of Rs. 5,215 is presumably due to capital expenditure on certain items carried under suspense in the Balance Sheet but allocated to the respective assets by the Chief Forest Officer after the accounts were closed.
## FOREST DEPARTMENT, ANDAMANS.

### 373. Balance Sheet as at 31st March 1930 and 31st March 1929.

**Capital and Liabilities.**

<table>
<thead>
<tr>
<th>31st March 1929</th>
<th>31st March 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>20,72,823</td>
<td>17,08,656</td>
</tr>
<tr>
<td>2,56,168</td>
<td>4,31,127</td>
</tr>
<tr>
<td>1,78,071</td>
<td>1,52,888</td>
</tr>
<tr>
<td>3,52,981</td>
<td>6,85,407</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>28,60,043</td>
<td>29,77,758</td>
</tr>
</tbody>
</table>

**Property and Assets.**

<table>
<thead>
<tr>
<th>31st March 1929</th>
<th>31st March 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td><strong>Fixed Assets</strong></td>
</tr>
<tr>
<td>2,35,405 Buildings</td>
<td>2,43,280</td>
</tr>
<tr>
<td>55,789 Calcutta Timber Yard</td>
<td>50,728</td>
</tr>
<tr>
<td>90,933 Roads, Sea-walls and Jettyes</td>
<td>80,652</td>
</tr>
<tr>
<td>5,87,967 Saw-mills</td>
<td>5,74,383</td>
</tr>
<tr>
<td>Other plant and Machinery—Drying and Charcoal Kilns, Creosoting and Water tanks, Cranes and Electric Gantry</td>
<td>96,039</td>
</tr>
<tr>
<td>26,732</td>
<td>20,69,435</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>4,28,737 Launches, Lighters, Boats, etc.</td>
<td>5,97,060</td>
</tr>
<tr>
<td>3,11,264 Live stock</td>
<td>2,89,406</td>
</tr>
<tr>
<td>3,339 Rolling stock, trucks, Carts and Wagons</td>
<td>3,043</td>
</tr>
<tr>
<td>1,057 Furniture</td>
<td>2,030</td>
</tr>
<tr>
<td>72,871 Plantations and Working Plans</td>
<td>1,23,329</td>
</tr>
<tr>
<td><strong>Floating Assets</strong></td>
<td><strong>Floating Assets</strong></td>
</tr>
<tr>
<td>1,96,901 Sundry Stores and Instruments</td>
<td>2,28,306</td>
</tr>
<tr>
<td>3,42,073 Stock of timber and fuel</td>
<td>2,73,741</td>
</tr>
<tr>
<td>4,98,411 Book Debts</td>
<td>3,58,093</td>
</tr>
<tr>
<td>5,171 Deferred Revenue Expenditure</td>
<td>42,724</td>
</tr>
<tr>
<td>2,677 Sundry Items</td>
<td>5,457</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>28,60,043</td>
<td>29,77,758</td>
</tr>
</tbody>
</table>

(St.) W. B. STEVENS,

Accounts Officer, Forest Department, Andamans.

(St.) H. K. MALLIK,

Assistant Director of Commercial Audit, Burma Circle.
### Table: Income and Expenditure Details

<table>
<thead>
<tr>
<th>Year</th>
<th>Income (Rs)</th>
<th>Expenditure (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929-30</td>
<td>3,93,480</td>
<td>6,28,530</td>
</tr>
<tr>
<td>1930-31</td>
<td>3,79,590</td>
<td>5,98,720</td>
</tr>
</tbody>
</table>

#### Notes:
- All figures in Rs.
- Income includes income from various sources such as timber, oil, etc.
- Expenditure includes various expenses such as wages, maintenance, etc.

---

### Forest Department, Andaman

### Forest Department, Andamans.


<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Logs</td>
<td>Squares</td>
</tr>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>To Opening Stock</td>
<td>4,745</td>
<td>57,050</td>
</tr>
<tr>
<td>Rates</td>
<td>1,06,137</td>
<td>1,14,607</td>
</tr>
<tr>
<td>Other consignments</td>
<td>72,084</td>
<td>31,402</td>
</tr>
<tr>
<td>Freight</td>
<td>3,13,467</td>
<td>2,74,813</td>
</tr>
<tr>
<td>Landing charges</td>
<td>2,085</td>
<td>8,053</td>
</tr>
<tr>
<td>River dues, etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depot charges</td>
<td>164</td>
<td>8,153</td>
</tr>
<tr>
<td>Interest and Depreciation on Calcutta Timber</td>
<td>13,596</td>
<td>11,900</td>
</tr>
<tr>
<td>Yard</td>
<td>5,701</td>
<td>325</td>
</tr>
<tr>
<td>Delivery charges</td>
<td>164</td>
<td>8,153</td>
</tr>
<tr>
<td>Commission</td>
<td>13,596</td>
<td>11,900</td>
</tr>
<tr>
<td>Expenses due to tidal bore</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit</td>
<td>1,11,676</td>
<td>35,500</td>
</tr>
<tr>
<td></td>
<td>9,23,837</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Logs</td>
<td>Squares</td>
</tr>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>By Sales of Timber</td>
<td>3,13,467</td>
<td>2,74,813</td>
</tr>
<tr>
<td>Less Rebate on sales of previous years</td>
<td></td>
<td>1,109</td>
</tr>
<tr>
<td>Closing stock at cost or market rates which ever was less</td>
<td>92,836</td>
<td>18,707</td>
</tr>
<tr>
<td>Loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9,23,837</td>
<td></td>
</tr>
</tbody>
</table>

#### APPENDIX TO THE APPROPRIATION ACCOUNTS OF THE
### 376. Summary of Stock Account for the years 1929-30 and 1928-29.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th>1929-30.</th>
<th></th>
<th>1928-29.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Logs.</td>
<td></td>
<td>Tons.</td>
<td></td>
<td>Tons.</td>
</tr>
<tr>
<td>Opening stock on hand</td>
<td>6,737</td>
<td></td>
<td>534</td>
<td></td>
<td>524</td>
</tr>
<tr>
<td>Opening stock with Messrs. Martin &amp; Co., Calcutta</td>
<td>1,284</td>
<td></td>
<td>1,379</td>
<td></td>
<td>1,368</td>
</tr>
<tr>
<td>Sales at Bombay Martin &amp; Co., Calcutta</td>
<td>4,696</td>
<td></td>
<td>4,079</td>
<td></td>
<td>4,079</td>
</tr>
<tr>
<td>Sales at Madras</td>
<td>1,048</td>
<td></td>
<td>834</td>
<td></td>
<td>834</td>
</tr>
<tr>
<td>Sales at other markets</td>
<td>2,696</td>
<td></td>
<td>313</td>
<td></td>
<td>321</td>
</tr>
<tr>
<td>Total</td>
<td>10,184</td>
<td></td>
<td>6,604</td>
<td></td>
<td>6,604</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12,110</td>
<td></td>
<td>12,110</td>
</tr>
</tbody>
</table>

### Disposition

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th>1929-30.</th>
<th></th>
<th>1928-29.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own consumption</td>
<td>2,256</td>
<td></td>
<td>428</td>
<td></td>
<td>428</td>
</tr>
<tr>
<td>Sales at Bombay Martin &amp; Co., Calcutta</td>
<td>1,039</td>
<td></td>
<td>1,026</td>
<td></td>
<td>1,026</td>
</tr>
<tr>
<td>Sales at Madras</td>
<td>3,053</td>
<td></td>
<td>3,313</td>
<td></td>
<td>3,313</td>
</tr>
<tr>
<td>Sales at other markets</td>
<td>461</td>
<td></td>
<td>404</td>
<td></td>
<td>404</td>
</tr>
<tr>
<td>Total</td>
<td>6,789</td>
<td></td>
<td>6,009</td>
<td></td>
<td>6,009</td>
</tr>
</tbody>
</table>

### Surplus, Remeasurement gains and other similar receipts

<table>
<thead>
<tr>
<th></th>
<th>216</th>
<th>104</th>
<th>1,210</th>
</tr>
</thead>
</table>

### Other adjustments

<table>
<thead>
<tr>
<th></th>
<th>1,007</th>
<th>971</th>
<th>443</th>
</tr>
</thead>
</table>

### Total

<table>
<thead>
<tr>
<th></th>
<th>40,720</th>
<th>6,006</th>
<th>12,110</th>
<th>40,720</th>
<th>6,006</th>
<th>12,110</th>
</tr>
</thead>
</table>

### Closing Stock

| | tonnes | | 428 | | 428 |
|---|---|---|---|---|---|---|

### Stock Account

<table>
<thead>
<tr>
<th></th>
<th>1,256</th>
<th>428</th>
<th>428</th>
</tr>
</thead>
</table>

### Remarks

- The figures represent the annual summary of stock account for the years 1929-30 and 1928-29.
- Logs and Tons are the units used for measurement.
- The disposal section includes sales at different locations and own consumption.
- Surplus, remeasurement gains, and other receipts are detailed separately.
- The table also accounts for miscellaneous adjustments and closing stock.

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**Central Government (Civil) for 1929-30.**
CHAPTER V.
GOVERNMENT OF INDIA

Commerce Department Concerns.

BENGAL PILOT SERVICE.

FINANCIAL REVIEW BY THE PAY AND ACCOUNTS OFFICER, MISCELLANEOUS CENTRAL DEPARTMENT (COUNTERSIGNED BY THE PRINCIPAL OFFICER, MERCANTILE MARINE DEPARTMENT, CALCUTTA DISTRICT) ON THE COMMERCIAL ACCOUNTS FOR THE YEAR 1929-30.

Preliminary.

377. The Bengal Pilot Service is the only Pilot Service in India which is under Government management. A commercial system of accounting, in addition to the ordinary Government accounts, has been introduced with effect from the beginning of the year 1928-29 with a view to ascertain whether the pilotage fees realised from the Shipping Companies are sufficient to defray the expenses of the pilot establishment.

The report for 1928-29 was based on provisional figures pending receipt of Government orders on certain points. These have been recently received and necessary adjustments have been carried out. The accounts now submitted show the revised figures for both years.

Financial result.

378. The net financial result for the year 1929-30 is a surplus of Rs. 8,541-0-8.

The year shows a fall in the gross surplus by Rs. 47,249-14-8 as compared with that for the preceding year. Although the income for the year under review, as shown in the Income and Expenditure Account does not show any appreciable diminution, the expenditure during the year was considerably in excess of that for the preceding year, due chiefly to increased pay and allowances drawn by pilots and adjusted under the head "salaries and allowances of Pilots, etc." and to certain special charges included in "Miscellaneous expenditure including contingencies."

Income and Expenditure Account.

379. Pilotage Receipts Rs. 18,83,104-4-0.

The amount represents Government dues in respect of pilotage fees, Night navigation fees, Leadsman's fees and detention allowances to Pilots for the year 1929-30 billed for by the Commissioners for the Port of Calcutta, who
are responsible for collecting these dues with reference to the pilotage certificates, etc., furnished by the Principal Officer, Mercantile Marine Department, Calcutta. The figures are based on the monthly statements forwarded to the Pay and Accounts Officer by the Commissioners for the Port of Calcutta.

Form No. 7 List of Sundry Debtors, as prescribed in Rule 9 of the Accounting Rules of the Bengal Pilot Service could not suitably be applied for the preparation of the statements of pilotage dues and a reference has been made to the Government of India (Commerce Department) to consider whether rule 9 should not be modified (vide Pay and Accounts Officer's letter No. P. M. Com. Accr. 2250, dated 7th August 1930) in view of the fact that the original documents on which the calculation of the dues should be based are not available in the Pay and Accounts Office. A check of one month's bills prepared by the Port Commissioners was, however, conducted by the accountant of the Pay and Accounts Office with reference to the original pilotage certificates and found correct. The pilotage receipts for the year includes a refund of Rs. 3,200-1 in respect of collections made in past years.

380. Miscellaneous Receipts Rs. 22,301-11-3.
Recoveries made from the pay and allowances of the pilots towards the pilot's family pension fund amount to Rs. 12,915-14-0 and the balance, viz., Rs. 9,385-13-3 is on account of miscellaneous recoveries, the bulk of which represents the difference between the guaranteed pay of the pilots of the Rangoon Mail Steamers and the pilotage fees levied on the basis of the draft of the vessels.

381. Interest Account Rs. 225-8-2.
The amount of interest has been arrived at in the following manner:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
<th>A. F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest charged to Government on the realised surplus for the year 1928-29 as laid down in rule 15 of the Account Rules at 5-31 per cent the rate of interest prescribed in the Auditor General's letter No. 223 K. W. 33-30, dated 1st August 1930</td>
<td>7,018</td>
<td>0 0</td>
</tr>
<tr>
<td>Less—Amount of interest charged to the service (a) on the balance of Depreciation Reserve</td>
<td>2,367</td>
<td>13 6</td>
</tr>
<tr>
<td>(b) on the mean between the opening and closing balances of Heavy Repairs Reserve</td>
<td>4,345</td>
<td>0 0</td>
</tr>
<tr>
<td>(c) on the capital expenditure of Rs. 1,500 incurred during 1928-29 for the purchase of a wireless apparatus from the Telegraphic Department</td>
<td>79</td>
<td>10 6</td>
</tr>
<tr>
<td></td>
<td>6,792</td>
<td>7 10</td>
</tr>
<tr>
<td></td>
<td>225</td>
<td>8 2</td>
</tr>
</tbody>
</table>

In the Director of Commercial Audit letter No. 3722 Com.14-1-29, dated 1st November 1930, it is stated that the Government will allow interest only on the excess of receipts over expenditure actually paid into a Government Treasury and therefore available for its use or vice versa. The interest charges
able to Government has accordingly been calculated in the following way:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
<th>A. F.</th>
<th>Rs.</th>
<th>A. F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remittances into treasury during 1928-29</td>
<td>18,71,124</td>
<td>12</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remittances from Treasury</td>
<td>12,01,737</td>
<td>7</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Payments made in England (Central)</td>
<td>3,61,517</td>
<td>4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Payments made in England (Provincial)</td>
<td>1,26,076</td>
<td>14</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Payments by A. G. Bengal for Marine pension</td>
<td>558</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Actual cost of passage paid by Government</td>
<td>40,066</td>
<td>10</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Accumulated realised surplus</td>
<td>17,38,956</td>
<td>5</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Interest on realised surplus at 5-31 per cent Rs.</td>
<td>1,32,168</td>
<td>7</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

It will be seen from the above statement that for the purpose of calculating surplus, only the actual expenditure incurred both in India and England on account of pay, leave salary, deputation and other allowances, pension and other miscellaneous charges, etc., have been shown as payments by Government. Charges on account of pensionary contribution of the staff employed in the Principal Officer’s establishment and in the Principal Officer’s launch, cost of stationery and printing, the indirect charges in respect of Leadmen’s quarters and the proportionate cost of the Principal Officer’s clerical establishment and the maintenance of his Launch, which have been charged in the Profit and Loss Account, have been excluded, as they are not adjusted in the Government account as direct charges of the Bengal Pilot Service but are only adjusted pro forma in the commercial account. It may be considered whether these indirect charges should also be treated as expenditure of the Pilot Service for the purpose of computing the surplus. Moreover the actual cost of passage adjusted in Government accounts and the pensions actually paid have been taken into account in calculating the surplus, instead of the amount of passage contribution, calculated on the basis of Rs. 50 per mensem in respect of each officer entitled to passage concession as charged in the Commercial accounts (vide para. 14 of the Report for 1928-29) and of the amount of pensionary contribution of officers as fixed by the Government of India in their Commerce Department letter No. 207 P. and L. (9)/30, dated 13th December 1930 which have been charged in the Profit and Loss Accounts. It may therefore be considered whether the actual payments of the assumed cost should be taken into account.

882. Stores consumed Rs. 1,43,490-2-6.

The figure has been arrived at as shown below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Coal</th>
<th>Provision</th>
<th>Other stores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>A. F.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Opening balance</td>
<td>8,947</td>
<td>8</td>
<td>1,355</td>
</tr>
<tr>
<td>Purchases</td>
<td>68,727</td>
<td>13</td>
<td>23,226</td>
</tr>
<tr>
<td>Loss closing balance</td>
<td>77,675</td>
<td>5</td>
<td>24,611</td>
</tr>
<tr>
<td>Stores consumed</td>
<td>88,746</td>
<td>3</td>
<td>24,183</td>
</tr>
</tbody>
</table>
The store books are being posted regularly with effect from the year 1929-30. Stores paid for during the year have been checked into these books by the Accountant of the Pay and Accounts Office and the result communicated to the Principal Officer, Calcutta.

The Account Rules do not prescribe any detailed method which should be followed in keeping the stores accounts. Para. 2 of the Rule 25, however, prescribes that the registers and the monthly list of stores issued, which are maintained in the Pilot Vessels, will be checked monthly by the Commercial Accountant. But as the books are posted quarterly, monthly check has not been possible. In the concluding portion of that para, it is laid down that with the help of the schedule of prices and the purchase bills, the Commercial Accountant will be able to value the stores balances. This has not been found practicable as the accountant is not attached to the Port Office as originally intended and was apparently in view when the rules were framed. The valuation of the "Stores balances" was accordingly made by the Principal Mercantile Officer at their marketable rate from information available in his office.

It may perhaps be considered whether rule 25 should be suitably revised and amplified so as to make it workable.

333. Salaries and allowances of Pilots Rs. 7,47,586-9-0.

The expenditure of the previous year was Rs. 7,25,869-7-0. The increase is chiefly due to increments of pay of Pilots and to night fees.

334. Salaries and Allowances of Establishment Rs. 68,711-8-6.

The amount includes Rs. 9,486-5-6 representing one half of the cost of the establishment of the Port Office as prescribed under Rule 8-B of the Account Rules.

The figure under this head also includes leave salaries paid to Establishment on leave. It may be pointed out that Rule 8-B(a) and (b) contemplate the calculation of leave contribution on account of officers and establishment other than Pilots and the incorporation of this figure in the accounts. As the actual figures for leave salary are included in the Government accounts, it is suggested that the rules referred to above may be suitably amended.

335. Miscellaneous Expenditure including contingencies Rs. 36,773-1-7.

This amount includes—

(a) Rs. 2,862-15-0 on account of $ share of running expenses of the Principal Officer's launch;

(b) Rent of Leadsmen's Quarters Rs. 2,085.

This charge is made up as follows in accordance with Government of India, Com. Dept., letter No. 207-P. & L. (9)/30, dated 13th December 1930.

\[
\begin{array}{lrr}
\text{Owners' taxes (actual)} & \cdots & 1,333 \\
\text{Cost of repairs (actual)} & \cdots & 603 \\
\text{Contribution to the Depreciation Fund} & \cdots & 149 \\
\text{Total} & \cdots & 2,085 \\
\end{array}
\]
The actual figures shown above were communicated in letter No. 212, dated 14th January 1931, by the Principal Officer, Mercantile Marine Department, Calcutta District.

The figure for rent of Leadsmen's quarters in the accounts for 1928-29 has also been revised in accordance with the letters quoted above, the details of which are:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners' taxes (actual)</td>
<td>1,331</td>
</tr>
<tr>
<td>Cost of repairs (actual)</td>
<td>3,882</td>
</tr>
<tr>
<td>Contribution to the Depreciation Fund</td>
<td>149</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,382</strong></td>
</tr>
</tbody>
</table>

(c) Rs. 2,795-4-0 on account of rent of accommodation provided in the Port and Shipping Buildings as intimated by the Principal Officer, Mercantile Marine Department, Calcutta District, in his letter No. 4375, dated 7th July 1930, under Government of India, Commerce Department, letter No. 60-M-1 (2)-29, dated 29th January 1930.

(d) Rs. 231-15-0 being the charges for signals hoisted by Pilots of vessels, as intimated by the Principal Officer in his letter No. 5833, dated 13th September 1930, which have been taken as a charge against the Bengal Pilot Service in the pro forma accounts with effect from 1929-30 under Government of Bengal orders conveyed in their Marine Department letter No. 3590-Mnc., dated 12th December 1929.

(e) Rs. 1,154-10-11 equivalent of (£36 at 1s. 5½d.) incurred in England on account of expenses connected with recruitment (Central) and Rs. 22-2-5 (£1-13-0) regarding travelling expenses of an officer attending Medical Board (Provincial) paid in England as intimated by the Chief Accounting Officer to the High Commissioner for India in his letters No. A. R. 16904-R, dated 1st May 1930 and A. R. 198867-R, dated 28th November 1930, respectively.

(f) Rs. 4,393-15-3, a special charge on account of reimbursement of the cost of a law suit incurred by a Pilot.

386. Stationery and Printing Rs. 382-5-0.

This represents value of stationery supplied and printing work done by other Government Departments chargeable to Bengal Pilot Service but not adjusted in the Government accounts.

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of stationery &amp; forms</td>
<td>82  5  0</td>
</tr>
<tr>
<td>Cost of Printing and binding</td>
<td>300 0  0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>382 5 0</strong></td>
</tr>
</tbody>
</table>

387. Leave and deputation salaries Rs 1,32,199-7-11; Overseas pay Rs. 1,53,620-8-7, Pension of widows and families of Bengal Pilot Service Rs. 50,806-6-11.
The expenditure represents payments made in England during 1929-30 in respect of Bengal Pilot Service as intimated by the High Commissioner for India in his letters No. A. R. 16904-R, dated 1st May 1930 and No. A. R. 19867-R, dated 28th November 1930, converted at 1s. 5d. in accordance with instructions laid down in the Government of India, Finance Department, letter No. D-201 Ex. II-30, dated 7th January 1930. The details of Rs. 1,32,199-7-11 are as follows:

Leave and deputation salaries (Central) £8,515-18-1 or Rs. 1,14,339-6-7.
Do. (Provincial) £7,146-0-0 or Rs. 17,860-1-4.

388. Pensions of officers of the Bengal Pilot Service Rs. 1,73,820-0-0.

The amount represents the actuarial liability in respect of the pensionary charges of the Pilotage Establishment and in respect of those of the Non-Pilotage Establishment worked out on the basis of Foreign Service Contribution debited to the pro forma account of the Bengal Pilot Service in accordance with the instructions laid down in the Government of India, Commerce Department, letter No. 207-P. & L. (9)-30, dated 13th December 1930.

389. Contribution towards Depreciation Reserve Rs. 59,196-0-0.
Do. towards Heavy Repairs Reserve Rs. 63,000-0-0.

The amounts have been adjusted under instructions from the Government of India contained in their Commerce Department letters No. 207 M. II-29, dated 17th December 1929 and No. 207 P. & L. (2)-30, dated 12th December 1930.

390. Pensionary contribution in respect of the Port Office, etc., staff Rs. 1,777-7-5.

This figure has been calculated on the share of the pay-charges of the staff of the Port Office and of steam launch "Isabel" chargeable to the Bengal Pilot Service under Rule 8 B(a) 5 and 6 of the Account Rule.

391. Passage Contribution Rs. 26,685-3-5.

This amount represents passage contribution at Rs. 50 per mensem in respect of each officer of the Bengal Pilot Service entitled to Passage Concessions. The actual payments for passage during the year under review amounted to Rs. 30,817-10-0.

The corresponding figures for the preceding years are as follows:

<table>
<thead>
<tr>
<th>Rs.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Balance Sheet.

392. Pilot vessels and launch Rs. 7,35,000.

The replacement value of the two Pilot vessels and S. L. "Aid" as on 1st April 1928 has been fixed by the Government of India at Rs. 7,35,000 as shown
below (vide their Commerce Department letter No. 207 P. & L. (1)-29, dated 12th December 1930),

<table>
<thead>
<tr>
<th></th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;Andrew&quot;</td>
<td>2,20,000</td>
</tr>
<tr>
<td>&quot;Lady Fraser&quot;</td>
<td>4,27,000</td>
</tr>
<tr>
<td>S. L. &quot;Aid&quot;</td>
<td>88,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,35,000</td>
</tr>
</tbody>
</table>

Plant, machinery and equipment on board the vessels as on 1st April 1928, a separate valuation of which had been approved by the Government of Bengal for a total sum of Rs. 1,11,125-8-0 and which was shown as a separate item of asset in the Balance Sheet as on 31st March 1929 (vide para. 16 of the last year's report) have now been omitted as according to the Principal Officer, Mercantile Marine Department, Calcutta District, they are included in the value of the vessels as approved by the Government of India.

393. Consumable stores 19,857-2-0.

The valuation was made at market rate by the Principal Officer, Mercantile Marine Department, Calcutta District, Calcutta. The details are as follow:

<table>
<thead>
<tr>
<th></th>
<th>On Board the S. P. V. Lady Fraser</th>
<th>On board the S. P. V. Andrew</th>
<th>On board the S. L. Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal</td>
<td>7,502 7 0</td>
<td>1,344 6 0</td>
<td>Nil</td>
</tr>
<tr>
<td>Provision</td>
<td>231 13 0</td>
<td>196 3 6</td>
<td>Nil</td>
</tr>
<tr>
<td>Stores</td>
<td>7,210 0 0</td>
<td>3,290 0 0</td>
<td>Nil</td>
</tr>
</tbody>
</table>

The actual verification of the balance of these stores as on 31st March 1930 was not made. The Principal Officer, Mercantile Marine Department, has been requested to verify in future the stores on the last day of each year.

394. Sundry Debtors Rs. 1,83,954-15-0.

This represents pilotage dues outstanding on 31st March 1930. The Port Commissioners have intimated that the amount has been realised and credited to Government in the following year.

395. Sundry Creditors Rs. 85,596-7-0.

The amount includes pay of pilots, etc., and cost of stores supplied which has been paid in the next year.

396. Depreciation Reserve Rs. 1,20,759-13-5.

The amount has been arrived at by adding to the opening balance, viz., Rs. 59,196, the contribution for the year Rs. 59,196 and the interest on the opening balance, viz., Rs. 2,367-13-5, calculated at Rs. 4 per cent, in accordance with the instructions from the Government of India contained in their Commerce Department letter No. 207 M. II-29, dated the 17th December 1929.

In the instructions laid down in the concluding portion of Rule 17 of the Account Rules it is stated that interest should be allowed on the mean between the opening and closing balances of the depreciation account, whereas the
annual rate for contribution prescribed by the Government of India in the
above quoted letter appears to have been computed by charging off interest on
the opening balance and not on the mean between the opening and closing
balances. This view is also shared by the Director of Commercial Audit
(vide his letter No. 3722 Com. 29, dated 1st November 1930). It is for con-
ideration whether the rule should be modified so as to conform to the existing
practice followed in accounting.

397. Heavy Repairs Reserve Rs. 1,00,642-7-5.

The figure has been arrived at in the following manner.

<table>
<thead>
<tr>
<th>Rs.</th>
<th>A.</th>
<th>P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>60,000</td>
<td>0</td>
</tr>
<tr>
<td>Less expenditure for Heavy Repairs during the year</td>
<td>29,702</td>
<td>8</td>
</tr>
<tr>
<td>Add contribution for the year</td>
<td>80,000</td>
<td>0</td>
</tr>
<tr>
<td>&quot; interest</td>
<td>4,345</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,00,642</td>
<td>7</td>
</tr>
</tbody>
</table>

Interest has been allowed at 5·31 per cent. on the mean between the opening
and closing balances under rule 18 of the Account Rules. As no rate for
interest has been prescribed, the rate provisionally adopted is on the basis of "Average rate of interest applicable to Capital Expenditure " prescribed in
the Auditor General’s letter No. 223-Camp. K. W. 33-30, dated the 1st August
1930.
### Balance Sheet of the Bengal

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>As on 1st April 1928</th>
<th>As on 31st March 1929</th>
<th>As on 31st March 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sundry Creditors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>for Stores</td>
<td>10,027</td>
<td>2,509</td>
<td>4,209</td>
</tr>
<tr>
<td>for Salaries, etc., outstanding</td>
<td>79,339</td>
<td>70,183</td>
<td>81,387</td>
</tr>
<tr>
<td><strong>Depreciation Reserve</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance</td>
<td></td>
<td>59,196</td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td>2,388</td>
<td></td>
</tr>
<tr>
<td>Contribution for the year</td>
<td>59,196</td>
<td>59,196</td>
<td>1,29,760</td>
</tr>
<tr>
<td>Heavy Repairs Reserve</td>
<td>63,000</td>
<td></td>
<td>1,99,642</td>
</tr>
<tr>
<td><strong>Government of India</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capital Account</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance</td>
<td>7,90,013</td>
<td>7,90,012</td>
<td>6,91,800</td>
</tr>
<tr>
<td>Less—Excess of over payments into withdrawals from Treasury including adjustments</td>
<td>98,146</td>
<td>1,21,082</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>6,91,866</td>
<td>5,70,784</td>
</tr>
<tr>
<td><strong>Add—Surplus for the year</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1928-29</td>
<td>55,791</td>
<td>55,791</td>
<td></td>
</tr>
<tr>
<td>1929-30</td>
<td></td>
<td>7,47,637</td>
<td>6,35,116</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,79,979</td>
<td>9,48,637</td>
<td>9,42,114</td>
</tr>
</tbody>
</table>

Certified that the figures for 1929-30 have been reconciled with those in the Government accounts.

C. BHASKARAIYA,  
Assistant Director of Commercial Audit, Calcutta Circle.

A. N. GREEN,  
Pay and Accounts Officer, Miscellaneous Central Departments.
### Pilot Service as on 31st March 1930.

<table>
<thead>
<tr>
<th>Assets</th>
<th>As on 1st April 1928</th>
<th>As on 31st March 1929</th>
<th>As on 31st March 1930</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilot Vessels and Launch (including Plant, Machinery &amp; Equipment)</td>
<td>Rs. 7,35,000</td>
<td>Rs. 7,35,000</td>
<td>Rs. 7,35,000</td>
</tr>
<tr>
<td>Additions to Plant, Machinery and Equipment</td>
<td></td>
<td>Rs. 1,500</td>
<td>Rs. 1,500</td>
</tr>
<tr>
<td>Furniture</td>
<td>Rs. 1,802</td>
<td>Rs. 1,802</td>
<td>Rs. 1,802</td>
</tr>
<tr>
<td><strong>Consumable Stores</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coal</td>
<td>Rs. 9,240</td>
<td>Rs. 8,948</td>
<td>Rs. 8,929</td>
</tr>
<tr>
<td>Provision</td>
<td>Rs. 687</td>
<td>Rs. 1,385</td>
<td>Rs. 428</td>
</tr>
<tr>
<td>Other Stores</td>
<td>Rs. 1,443</td>
<td>Rs. 11,370</td>
<td>Rs. 10,167</td>
</tr>
<tr>
<td><strong>Sundry Debtors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Accountant, Port Commissioners, Calcutta</td>
<td>Rs. 1,31,807</td>
<td>Rs. 1,89,834</td>
<td>Rs. 1,93,953</td>
</tr>
<tr>
<td>Mess Money</td>
<td></td>
<td>Rs. 1</td>
<td>Rs. 1,89,835</td>
</tr>
</tbody>
</table>

---

C. A. SCOTT,
Principal Officer, Mercantile Marine Departments, Calcutta District.
### APPENDIX TO THE APPROPRIATION ACCOUNTS OF THE

#### 399. Income and Expenditure Account for the year ending 31st March 1890.

<table>
<thead>
<tr>
<th>Description</th>
<th>Year 1889-90</th>
<th>Year 1890-91</th>
<th>Year 1891-92</th>
<th>Year 1892-93</th>
<th>Year 1893-94</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>To Accounts charged—</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and allowances of Officers</td>
<td>66,901</td>
<td>67,461</td>
<td>67,421</td>
<td>67,421</td>
<td>67,421</td>
</tr>
<tr>
<td>Salaries and Allowances of Port Officers</td>
<td>11,090</td>
<td>11,219</td>
<td>11,219</td>
<td>11,219</td>
<td>11,219</td>
</tr>
<tr>
<td>Stationery and Printing</td>
<td>5,421</td>
<td>5,421</td>
<td>5,421</td>
<td>5,421</td>
<td>5,421</td>
</tr>
<tr>
<td><strong>Miscellaneous</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>83,412</td>
<td>84,101</td>
<td>84,162</td>
<td>84,162</td>
<td>84,162</td>
</tr>
</tbody>
</table>

#### By Receipts

- **Other Sources:**
  - 74,381
  - 44,531

- **Pilotage Receipts:**
  - 1,424,600
  - 1,431,957
  - 1,432,325

- **Miscellaneous:**
  - 20,768

- **Interest:**
  - 22,302

**Total Income:**
- 1,574,838
- 1,581,282
- 1,584,655
- 1,584,655
- 1,584,655

**Total Expenditure:**
- 1,543,580
- 1,551,057
- 1,551,421
- 1,551,421
- 1,551,421

**Surplus:**
- 1,907,986
- 1,907,986
- 1,907,986
- 1,907,986
- 1,907,986

**Total:**
- 1,907,986
- 1,907,986
- 1,907,986
- 1,907,986
- 1,907,986
Lighthouse Department.

Section I.—Financial Review by the Assistant Secretary to the Government of India, Commerce Department, on the accounts of the year 1929-30.

400. Prior to 1929-30 the method of financing lighthouses and lightships in India differed from province to province. While the cost of the Burma, Sind, Perim and Orissa (False Point and Shortt's Island) lights was wholly a charge on Central Revenues, and these Revenues also bore a share of the cost of the Ras Marshag Lighthouse at Aden and the South Patches Lightvessel on the Chittagong coast, the lighting service in Madras was maintained from a special Coast Lights Fund administered by the Local Governments and that in the Bombay Presidency proper, excepting the lights of the Bombay Port and its approaches, was financed from the Bombay Minor Ports Fund.

401. The administration of lighthouses and lightships was centralised with effect from the 1st April 1929 and the Indian Lighthouse Act, 1927, which was enacted for the purpose, came into operation on and from that date. From that date the Government of India have become directly responsible for the maintenance of those lighthouses and lightships which have been declared as "General Lights" under the Indian Lighthouse Act. The Government of India also make grants to local authorities for the maintenance of certain local lights which are of benefit to passing trade. A list of the "General Lights" and of those which receive a grant-in-aid from the Government of India will be found at the end of this review.

402. A Central Advisory Committee for Lighthouses has been constituted under the provisions of section 4 of the Indian Lighthouse Act to advise the Government of India in regard to the matters enumerated in Section 4 (1) of the Indian Lighthouse Act. The Advisory Committee consists of persons representing interests affected by the Indian Lighthouse Act or having special knowledge of the subject-matter thereof.

403. The following rates of light dues were in force during the major portion of the year 1929-30:

(a) All ships, other than sailing ships, arriving at, or departing from, any port in British India, except the vessels mentioned in (b) below.

(b) Ships, other than sailing ships, calling at Aden and/or Perim and not proceeding to another port in British India.

(c) Sailing ships.

One anna and six paise per ton.
Three paise per ton.
Half the rates in (a) and (b) above.

The above rates were revised with effect from the 3rd March 1930, and since then the following rates are being levied:

(a) All ships, other than sailing ships, arriving at, or departing from, any port in British India, except the vessels mentioned in (b) below.

(b) Ships, other than sailing ships, calling at Aden and/or Perim and not proceeding to another port in British India.

(c) Sailing ships.

One anna and six paise per ton.
One paise per ton.
Half the rates in (a) and (b) above.
404. The system of Commercial Accounts was introduced in the Lighthouses and Lightships Department with effect from the 1st April 1929. The Balance Sheet and the Income and Expenditure Account of the Department for the year 1929-30 are appended to this review. The net receipts from light dues during the year under review, after deducting the expenditure on refunds, amounted to Rs. 13,39,831-14-2. Taking into account the sum of Rs. 33,555-10-2, being the contribution received from other Governments for the work done by the Lighthouse Department on their behalf and the miscellaneous receipts to the extent of Rs. 4,295-14-1, the total receipts amounted to Rs. 13,77,883-6-5. Against this the total revenue expenditure including indirect charges, such as the contributions towards the Depreciation and the Additions and Replacements Reserve Funds, etc., amounted to Rs. 8,14,419-10-7. Thus the surplus of receipts over expenditure for the year under review amounted to Rs. 5,63,263-11-10 which has been transferred to the credit of the General Reserve Account of the Lighthouses and Lightships Department. This amount has been treated as a charge against the "Government Account" and will be transferred to the "General Reserve Fund Investment Account" as from the 1st April 1930.

405. As 1929-30 is the first year in which commercial accounts have been maintained, no comparison is possible with the working results of the previous years.

406. The fixed assets of the Lighthouses and Lightships Department as on the 1st April 1929 have been valued on the following basis:—

"The cost of replacement on 1st April 1929 less an amount equal to that cost divided by the normal life and multiplied by the past life of the assets."

The values worked out on this basis are as follow:

<table>
<thead>
<tr>
<th>Category</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings other than lighthouses</td>
<td>10,76,300</td>
</tr>
<tr>
<td>Lighthouses</td>
<td>12,06,600</td>
</tr>
<tr>
<td>Lightvessels</td>
<td>8,31,420</td>
</tr>
<tr>
<td>Lantern, Optical apparatus and machinery</td>
<td>3,30,082</td>
</tr>
<tr>
<td>Fog signals</td>
<td>58,570</td>
</tr>
<tr>
<td>Buoys</td>
<td>11,200</td>
</tr>
<tr>
<td>Beacons</td>
<td>1,600</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40,18,578</strong></td>
</tr>
</tbody>
</table>

The contribution to the Depreciation Fund has been calculated on the cost of replacement on 1st April 1929 divided by the normal life and the annual contribution on account of the wasting assets worked out in this manner amounts to Rs. 1,07,555 for the year 1929-30.

As provided in the Lighthouse Accounting Rules the contribution towards the Additions and Replacements Reserve Fund has been calculated at 2 per cent. of the value of the wasting assets of the Department, and the amount payable to the Additions and Replacement Reserve Fund on this basis is Rs. 80,323 in 1929-30.
The land belonging to the Lighthouse Department, although a fixed asset, is not a wasting asset and no contribution to the Depreciation and the Additions and Replacements Reserve Funds have, therefore, been made on account of it. The total value of the land belonging to the Department stands at Rs. 19,474 and this figure has been adopted in the accounts for 1929-30.

407. The General Reserve Fund of the Lighthouses and Lightships Department started on the 1st April 1929 with a credit balance of Rs. 9,79,744-2-3, which represented the amount transferred to the Government of India on account of their share of the surplus balance standing at the credit of the Madras Coast Lights Fund on that date. The General Reserve Fund and also the Depreciation and the Additions and Replacements Reserve Funds have been invested with Government and are earning interest at the prescribed rate. The balances of these Funds as on the 31st March 1930 stood as:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
<th>a. p.</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Reserve Fund Investment Account</td>
<td>7,18,392</td>
<td>6 1</td>
</tr>
<tr>
<td>Depreciation Fund Investment Account</td>
<td>1,07,565</td>
<td>0 0</td>
</tr>
<tr>
<td>Additions and Replacements Fund Investment Account</td>
<td>82,130</td>
<td>4 0</td>
</tr>
</tbody>
</table>

408. The only capital expenditure incurred during the year under review was in respect of the construction of a new lightvessel “Thalun” for use in the Rangoon District, which amounted to Rs. 3,10,987-3-2 and was met from the General Reserve Fund of the Lighthouses and Lightships Department.

409. List of General Lighthouses:

<table>
<thead>
<tr>
<th>District</th>
<th>High Light</th>
<th>Low Light</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aden</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Karachi</td>
<td></td>
<td>Cape Morn.</td>
</tr>
<tr>
<td></td>
<td>Sindh Lightvessel</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Indus Besoms</td>
<td></td>
</tr>
<tr>
<td>Bombay</td>
<td>Piram Island</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Anala.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jaigur.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jaitapur.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vengurla Rocks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Oyster Rocks</td>
<td></td>
</tr>
<tr>
<td>Madras</td>
<td>Cap.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotta Point</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Quilen.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Muttam Point</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Seven Pagodas</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pulicat.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Armagon.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sacramento Shoal</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sanorpulli.</td>
<td></td>
</tr>
<tr>
<td>Calcutta</td>
<td>False Point</td>
<td></td>
</tr>
<tr>
<td></td>
<td>South Patche Lightvessel</td>
<td></td>
</tr>
<tr>
<td>Rangoon</td>
<td>Oyster Island</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Beacon Island</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Aignada Reef</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Baragoo Flat Lightvessel</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Krishna Shoal Lightvessel</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Double Island</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Table Island</td>
<td></td>
</tr>
</tbody>
</table>
409-A. List of Local Lighthouses which receive a grant from the Government of India:

<table>
<thead>
<tr>
<th>District</th>
<th>Name of local lighthouse</th>
<th>Amount of grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aden</td>
<td>Ras Marahag</td>
<td>80 per cent. of the cost of maintenance</td>
</tr>
<tr>
<td>Bombay</td>
<td>Kennery</td>
<td>25 per cent. of the cost of maintenance</td>
</tr>
<tr>
<td></td>
<td>Nanoli</td>
<td>Ditto</td>
</tr>
<tr>
<td>Madras</td>
<td>Madras Light</td>
<td>40 per cent. of the cost of maintenance</td>
</tr>
<tr>
<td>Calcutta</td>
<td>Kutubdia</td>
<td>£3/- to</td>
</tr>
</tbody>
</table>
410. Balance Sheet of the Lighthouse Department as at 31st March 1930.

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Headquarters District</th>
<th>Madras District</th>
<th>Bombay District</th>
<th>Karachi District</th>
<th>Aden District</th>
<th>Calcutta District</th>
<th>Rangoon District</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sundry Creditors</td>
<td>Rs. 5,602</td>
<td>Rs. 4,311</td>
<td>Rs. 1,068</td>
<td>Rs. 1,474</td>
<td>Rs. 3,149</td>
<td>Rs. 1,991</td>
<td>Rs.</td>
<td>17,536</td>
</tr>
<tr>
<td>Depreciation Reserve</td>
<td>Rs. 1,07,555</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>1,07,555</td>
</tr>
<tr>
<td>Additions and Replacements Reserve</td>
<td>Rs. 82,130</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>82,130</td>
</tr>
</tbody>
</table>

**Government Account.**

Add—Amount received from the Government during the year 3,27,924 85,324 42,063 61,814 45,269 39,017 5,69,794 11,71,396

Total 3,27,924 85,324 42,063 61,814 45,269 39,017 5,69,794 11,71,200

Deduct—Payments to the Government during the year 3,13,547 2,67,727 3,08,443 33,730 191,605 3,18,864 2,32,800 17,13,715

Balance 14,377 1,82,403* 2,61,380* 23,016* 1,46,336* 2,79,847* 3,36,994 5,42,510*

**General Reserve Account.**

Opening Balance 9,76,597 7,62,801 1,34,008 3,59,485 1,10,388 1,13,214 26,80,467 51,38,900

Add—Interest accrued for the year 1929-30 49,636 — — — — — 49,636

Add—Surplus 3,27,820* 1,80,187 2,66,348 17,421 1,52,361 2,88,822 19,086* 5,03,294

Total 6,98,413 9,48,988 3,99,356 3,76,006 2,62,749 4,02,066 26,61,381 57,49,859

Grand Total 9,98,077 7,70,896 1,38,984 3,54,464 1,19,562 1,34,210 29,98,375 54,14,570

*Represents minus figures.
<table>
<thead>
<tr>
<th>Assets</th>
<th>Headquarters District</th>
<th>Madras District</th>
<th>Bombay District</th>
<th>Karachi District</th>
<th>Aden District</th>
<th>Calcutta District</th>
<th>Rangoon District</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lands</td>
<td>18,268</td>
<td>701</td>
<td>411</td>
<td>747</td>
<td>2,347</td>
<td>7,21,600</td>
<td>10,76,200</td>
<td>19,474</td>
</tr>
<tr>
<td>Buildings other than Lighthouses</td>
<td>2,15,600</td>
<td>60,600</td>
<td>29,800</td>
<td>43,200</td>
<td>41,000</td>
<td>10,12,213</td>
<td>11,42,413</td>
<td>12,08,600</td>
</tr>
<tr>
<td>Lighthouses</td>
<td>2,22,600</td>
<td>50,100</td>
<td>32,700</td>
<td>4,100</td>
<td>58,570</td>
<td>11,000</td>
<td>38,570</td>
<td>12,08,600</td>
</tr>
<tr>
<td>Light vessels</td>
<td>1,26,100</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12,08,600</td>
</tr>
<tr>
<td>Fog Signals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12,08,600</td>
</tr>
<tr>
<td>Buoys</td>
<td>1,600</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12,08,600</td>
</tr>
<tr>
<td>Beacons</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12,08,600</td>
</tr>
<tr>
<td>Other Marks</td>
<td>2,51,200</td>
<td>4,100</td>
<td>1,34,600</td>
<td>27,000</td>
<td>3,68,882</td>
<td>8,30,082</td>
<td></td>
<td>8,30,082</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>11,608</td>
<td>8,709</td>
<td>405</td>
<td>202</td>
<td>22,986</td>
<td>23,866</td>
<td>47,358</td>
<td>47,358</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>47,358</td>
</tr>
<tr>
<td>Stores—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>508</td>
</tr>
<tr>
<td>Fuel and Coal</td>
<td>7,463</td>
<td>2,644</td>
<td>2,688</td>
<td>3,147</td>
<td>5,178</td>
<td>33,796</td>
<td></td>
<td>33,796</td>
</tr>
<tr>
<td>Oil and other Lighting Stores</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>33,796</td>
</tr>
<tr>
<td>Provisions</td>
<td>135</td>
<td>250</td>
<td>200</td>
<td>64,985</td>
<td>20,635</td>
<td></td>
<td></td>
<td>20,635</td>
</tr>
<tr>
<td>Other Stores</td>
<td>43,019</td>
<td>1,093</td>
<td>1,778</td>
<td>6,368</td>
<td>500</td>
<td></td>
<td></td>
<td>500</td>
</tr>
<tr>
<td>Sundry Debtors</td>
<td>3,368</td>
<td>2,637</td>
<td>66</td>
<td>8216</td>
<td>529</td>
<td>1,07,555</td>
<td></td>
<td>1,07,555</td>
</tr>
<tr>
<td>Permanent Advance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>508</td>
</tr>
<tr>
<td>Depreciation Fund Investment Account</td>
<td>1,07,555</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,07,555</td>
</tr>
<tr>
<td>Additions and Replacements Fund Investment Account</td>
<td>83,130</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>83,130</td>
</tr>
<tr>
<td>General Reserve Fund Investment Account</td>
<td>7,18,392</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7,18,392</td>
</tr>
</tbody>
</table>

Total: 9,08,077 7,70,996 1,38,984 3,54,464 1,19,582 1,24,210 29,08,375 54,14,570

S. C. SEN, P. D. Seth, Accountant, LADLI PERSHAD, Assistant Secretary,
Assistant Audit Officer, N. I. Circle Commerce Department. Commerce Department.
### 411. Income and Expenditure Account of the Lighthouse Department for the year ended 31st March 1930.

<table>
<thead>
<tr>
<th>Headquarters</th>
<th>Madras District</th>
<th>Bombay District</th>
<th>Bengal District</th>
<th>Assam District</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Pay of officers and assistance</td>
<td>36,044</td>
<td>10,374</td>
<td>1,034</td>
<td>2,854</td>
<td>50,301</td>
</tr>
<tr>
<td>Rent of lands &amp; buildings</td>
<td>3,594</td>
<td>10,374</td>
<td>1,034</td>
<td>2,854</td>
<td>17,836</td>
</tr>
<tr>
<td>General &amp; local salaries &amp; allowances</td>
<td>36,482</td>
<td>8,283</td>
<td>5,329</td>
<td>3,845</td>
<td>53,939</td>
</tr>
<tr>
<td>Contributions to Lands Department</td>
<td>12,933</td>
<td>5,078</td>
<td>2,500</td>
<td>7,289</td>
<td>32,809</td>
</tr>
<tr>
<td>Stamps</td>
<td>3,594</td>
<td>10,374</td>
<td>1,034</td>
<td>2,854</td>
<td>17,836</td>
</tr>
<tr>
<td>Fuel and Light</td>
<td>3,594</td>
<td>10,374</td>
<td>1,034</td>
<td>2,854</td>
<td>17,836</td>
</tr>
<tr>
<td>Posts &amp; Telegraphs</td>
<td>3,594</td>
<td>10,374</td>
<td>1,034</td>
<td>2,854</td>
<td>17,836</td>
</tr>
<tr>
<td>Civil Charges</td>
<td>3,594</td>
<td>10,374</td>
<td>1,034</td>
<td>2,854</td>
<td>17,836</td>
</tr>
<tr>
<td>Army &amp; Police</td>
<td>3,594</td>
<td>10,374</td>
<td>1,034</td>
<td>2,854</td>
<td>17,836</td>
</tr>
<tr>
<td>General Reserve</td>
<td>3,594</td>
<td>10,374</td>
<td>1,034</td>
<td>2,854</td>
<td>17,836</td>
</tr>
<tr>
<td>Total</td>
<td>130,956</td>
<td>36,283</td>
<td>10,374</td>
<td>10,854</td>
<td>188,417</td>
</tr>
</tbody>
</table>

| Officers' and Staff's Salaries | 1,07,525 | 4,112 | 5,404 | 1,221 | 118,362 |
| Contributions to Depreciation Reserve | 40,823 | 4,112 | 5,404 | 1,221 | 51,560 |
| Contingencies | 18,491 | 4,112 | 5,404 | 1,221 | 27,228 |
| Contributions to Additional Fund | 3,980 | 4,112 | 5,404 | 1,221 | 13,717 |
| Surplus transferred to General Reserve Fund | 1,86,157 | 4,112 | 5,404 | 1,221 | 208,924 |

**Total** | **3,23,240** | **2,23,560** | **2,90,754** | **90,774** | **8,77,909**
<table>
<thead>
<tr>
<th>Income</th>
<th>Headquarters District</th>
<th>Madras District</th>
<th>Bombay District</th>
<th>Karachi District</th>
<th>Aden District</th>
<th>Calcutta District</th>
<th>Rangoon District</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Light dues less Refunds</td>
<td></td>
<td></td>
<td></td>
<td>2,42,380</td>
<td>2,90,748</td>
<td>80,577</td>
<td>1,77,622</td>
<td>3,20,915</td>
</tr>
<tr>
<td>Contributions recovered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Receipts</td>
<td></td>
<td></td>
<td></td>
<td>1,0,840</td>
<td>86</td>
<td>66</td>
<td>22,290</td>
<td>269</td>
</tr>
<tr>
<td>Deficiency transferred to General Res</td>
<td></td>
<td></td>
<td></td>
<td>649</td>
<td>35</td>
<td>131</td>
<td></td>
<td>269</td>
</tr>
<tr>
<td><em>Fund</em></td>
<td>3,27,820</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>19,086</td>
</tr>
</tbody>
</table>

**Statistical Information required under Rule 44 of the Lighthouse Accounting Rules.**

<table>
<thead>
<tr>
<th>Tonnage</th>
<th>Tons.</th>
</tr>
</thead>
<tbody>
<tr>
<td>of foreign-going steamships</td>
<td></td>
</tr>
<tr>
<td>charged at 1½ annas per ton</td>
<td>9,558,034</td>
</tr>
<tr>
<td>of Home Trade steamship</td>
<td>3,805,678</td>
</tr>
<tr>
<td>charged at 1½ annas per ton</td>
<td></td>
</tr>
<tr>
<td>of steamships charged at 3 pie</td>
<td>4,371,727</td>
</tr>
<tr>
<td>per ton</td>
<td></td>
</tr>
<tr>
<td>of sailing ships charged at half</td>
<td>437,699</td>
</tr>
<tr>
<td>of 1½ annas per ton</td>
<td></td>
</tr>
<tr>
<td>of sailing ships charged at half</td>
<td>12,878</td>
</tr>
<tr>
<td>of 3 pies per ton</td>
<td></td>
</tr>
<tr>
<td>of steamships charged at 1 pie</td>
<td>328,241</td>
</tr>
<tr>
<td>per ton</td>
<td></td>
</tr>
<tr>
<td>of sailing ships charged at half</td>
<td>400</td>
</tr>
<tr>
<td>of 1 pie per ton</td>
<td></td>
</tr>
</tbody>
</table>

**Total** | 19,574,917

**Total dues collected** | Rs. 13,39,832

**Total expenditure** | Rs. 8,14,420

**Total** | 3,39,240 2,53,660 2,90,783 90,774 1,09,821 3,51,184 2,47,927 17,24,900
CHAPTER VI.

Government of India—Home Department concerns.

SHIPPING DEPARTMENT, PORT BLAIR.

SECTION I.—Review of the Accounts and the Financial aspects of the working of two chartered ships S. S. "Maharaja" and the Station ship for the year 1929-30 by the Chief Commissioner, Andamans and Nicobar Islands.

412. In the year 1929-30 the S. S. "Ahmedi" was the Station Ship. The functions of these two ships are to carry passengers and convicts, mails and cargo between the Andamans, Madras, Calcutta and Rangoon. The Station Ship, in addition to the above visits the Nicobar Islands for administrative purposes.

413. Steamer Agents have been engaged at Calcutta, Rangoon and Madras, to attend to the working of these two ships in connection with their arrival and departure and to submit accounts relating to the booking of passages and cargo and stevedorages, etc., for which agency fees are paid.

414. The Pro-forma Accounts of the Shipping Office up to the year 1929-30 were maintained in the old form as suggested by the Accounts Officer of the Central Revenues. In order to maintain the Pro-forma Accounts on Commercial lines, Mr. C. F. George, Assistant Director of Commercial Audit, was asked in the year 1929 to examine the accounting system in force in the Shipping Office and to adopt the suitability of the draft form to be introduced. Orders were received to maintain the accounts in the new form suggested by Mr. C. F. George, from the year 1930-31.

415. The following are the expenditure and earnings of the two ships for the years 1928-29 and 1929-30.

<table>
<thead>
<tr>
<th></th>
<th>Expenditure</th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Cost of Coal</td>
<td></td>
<td>55,630</td>
<td>52,410</td>
</tr>
<tr>
<td>Charter of Steamer</td>
<td></td>
<td>4,34,199</td>
<td>4,34,199</td>
</tr>
<tr>
<td>Indian Port Expenses, Working Expenses, etc.</td>
<td></td>
<td>70,036</td>
<td>62,092</td>
</tr>
<tr>
<td>Other Charges</td>
<td></td>
<td>19,510</td>
<td>7,147</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>5,69,783</strong></td>
<td><strong>5,55,837</strong></td>
</tr>
</tbody>
</table>
### S. S. "Maharaja"—contd.

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Passage</td>
<td>1,16,380</td>
<td>60,036</td>
</tr>
<tr>
<td>Inward Freight</td>
<td>1,21,600</td>
<td>75,100</td>
</tr>
<tr>
<td>Outward Freight</td>
<td>1,02,853</td>
<td>1,94,500</td>
</tr>
<tr>
<td>Mail Subsidy</td>
<td>4,250</td>
<td>4,250</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,35,179</td>
<td>3,54,786</td>
</tr>
<tr>
<td><strong>Loss</strong></td>
<td></td>
<td>1,34,064</td>
</tr>
</tbody>
</table>

### S. S. "Ahmedi"

#### Expenditure

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Cost of Coal</td>
<td>36,093</td>
<td>57,378</td>
</tr>
<tr>
<td>Charter of Steamer</td>
<td>2,67,882</td>
<td>2,01,750</td>
</tr>
<tr>
<td>Indian Port Expenses, Working Expenses, etc.</td>
<td>40,187</td>
<td>34,985</td>
</tr>
<tr>
<td>Other Charges</td>
<td>7,954</td>
<td>8,067</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,72,110</td>
<td>3,62,696</td>
</tr>
</tbody>
</table>

#### Earnings

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Passage</td>
<td>44,925</td>
<td>40,919</td>
</tr>
<tr>
<td>Inward Freight</td>
<td>76,971</td>
<td>62,102</td>
</tr>
<tr>
<td>Outward Freight</td>
<td>72,660</td>
<td>55,244</td>
</tr>
<tr>
<td>Mail Subsidy</td>
<td>4,250</td>
<td>4,250</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,98,813</td>
<td>1,71,002</td>
</tr>
<tr>
<td><strong>Loss</strong></td>
<td></td>
<td>1,73,303</td>
</tr>
</tbody>
</table>

416. The account of S. S. "Maharaja" shows a loss of Rs. 1,34,064 against a loss of Rs. 2,01,071 in 1928-29 and that of S. S. "Ahmedi" shows a loss of Rs. 1,73,303 against a loss of Rs. 1,91,694 in 1928-29.

417. The total expenses and earnings on the voyages of both the steamers for the year ended 1929-30 are compared below:
<table>
<thead>
<tr>
<th></th>
<th>No. of voyage to and from</th>
<th>No. of steaming hours</th>
<th>Expenditure (Rs)</th>
<th>Earnings (Rs)</th>
<th>Loss (Rs)</th>
<th>Average loss per voyage (Rs)</th>
<th>Loss per steaming hour (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>S. S. &quot;MAHARAJA&quot;</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1927-28</td>
<td></td>
<td>19 ½</td>
<td>2,748</td>
<td>5,54,513</td>
<td>3,80,733</td>
<td>1,73,780</td>
<td>8,912</td>
</tr>
<tr>
<td>1928-29</td>
<td></td>
<td>19 ½</td>
<td>2,462</td>
<td>5,55,857</td>
<td>3,54,786</td>
<td>2,01,071</td>
<td>10,311</td>
</tr>
<tr>
<td>1929-30</td>
<td></td>
<td>18 ½</td>
<td>2,078</td>
<td>5,60,783</td>
<td>4,35,179</td>
<td>1,34,604</td>
<td>7,276</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>87 ½</td>
<td>7,288</td>
<td>16,80,153</td>
<td>11,70,698</td>
<td>5,00,453</td>
<td></td>
</tr>
<tr>
<td>Average per voyage for the three years</td>
<td></td>
<td></td>
<td>189-75</td>
<td>29,220</td>
<td>20,360</td>
<td>8,800</td>
<td>69-9</td>
</tr>
<tr>
<td><strong>S. S. &quot;AHMEDI&quot; Station Ship</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1927-28</td>
<td></td>
<td>21 ½</td>
<td>2,180</td>
<td>3,38,489</td>
<td>1,61,391</td>
<td>1,77,098</td>
<td>8,227</td>
</tr>
<tr>
<td>1928-29</td>
<td></td>
<td>23 ½</td>
<td>2,426</td>
<td>3,62,696</td>
<td>1,71,002</td>
<td>1,91,694</td>
<td>8,127</td>
</tr>
<tr>
<td>1929-30</td>
<td></td>
<td>22</td>
<td>2,965</td>
<td>3,72,117</td>
<td>1,96,813</td>
<td>1,73,304</td>
<td>7,877</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>67</td>
<td>7,571</td>
<td>10,73,302</td>
<td>5,31,206</td>
<td>5,42,096</td>
<td></td>
</tr>
<tr>
<td>Average per voyage for the three years</td>
<td></td>
<td></td>
<td>113</td>
<td>16,019</td>
<td>7,928</td>
<td>8,091</td>
<td>71-6</td>
</tr>
</tbody>
</table>
418. From the above statement it will be seen that in the case of both the vessels the expenditure was greater than the earnings. The following are the reasons for loss:

(1) The present population of the Islands is limited and imports are just limited to their requirements.

(2) Earnings on passages also are restricted owing to small population of Andamans.

(3) Steamers cannot be fully employed in their capacity as they have to meet the demands of the administration as well such as touring the Nicobars, Tending Lighthouses and Vessels off Burma Coast, Transport of Troops, etc.

419. The fluctuations in the following items of expenditure are detailed:

**S. S. "Maharaja"**

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charter Hire</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Indian Port Expenses, Working Expenses and Agency Fees</td>
<td>4,34,199</td>
<td>4,34,199</td>
<td>4,24,550</td>
</tr>
<tr>
<td></td>
<td>70,033</td>
<td>62,092</td>
<td>67,878</td>
</tr>
</tbody>
</table>

**S. S. "Ahmedi"**

<table>
<thead>
<tr>
<th></th>
<th>1929-30</th>
<th>1928-29</th>
<th>1927-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charter Hire</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Indian Port Expenses and Other Expenses</td>
<td>2,67,882</td>
<td>2,61,750</td>
<td>2,49,100</td>
</tr>
<tr>
<td></td>
<td>46,187</td>
<td>34,803</td>
<td>30,508</td>
</tr>
</tbody>
</table>

**S. S. "Maharaja."**

*Charter Hire.*—The increase in 1928-29 and 1929-30 was due to the increased tonnage of the new vessel. The increase under Indian Port Expenses was due to the greater tonnage of cargo carried during the year and consequent increase in stevedoring charges, Lighterages, Agency charges, etc.

**Station Ship. S. S. "Ahmedi."**

*Charter hire.*—This ship was chartered only in May 1927. She was out of commission for 23 days in June 1927, as the ship ran aground in making Stewart Sound off Aves Island on the 10th June 1927 and her Survey Certificate being invalid until the A.M. 23rd June 1927. In 1928-29 also she was out of commission for 26 days on account of some defect in the boiler and the windlass, and in 1929-30, for 18 days on account of general repairs. Hence the difference in the Charter hire for three years.
Indian Port and Other Expenses:

The increase under this head in 1929-30 was due to same as explained in connection with S. S. "Maharaja".

420. The total tonnage carried by the two ships was 31,222, 28,277 and 22,006 tons in 1929-30, 1928-29 and 1927-28, respectively.

421. The increase of earnings during 1929-30 was due to a large number of convicts carried during the year and, to a large tonnage of cargo. The increase in the freight earnings during 1929-30 is explained by a comparative statement of tonnage of cargo carried by the vessels during the three years ending 1929-30 given below:
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Calcutta</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exports—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Timber</td>
<td>9,094</td>
<td>2,212</td>
<td>11,306</td>
<td>9,614</td>
<td>1,206</td>
<td>10,820</td>
</tr>
<tr>
<td>Other Cargo</td>
<td>269</td>
<td>131</td>
<td>400</td>
<td>164</td>
<td>100</td>
<td>264</td>
</tr>
<tr>
<td>Imports—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coal</td>
<td>3,902</td>
<td>140</td>
<td>4,042</td>
<td>2,373</td>
<td>360</td>
<td>2,673</td>
</tr>
<tr>
<td>Foodstuffs</td>
<td>883</td>
<td>291</td>
<td>1,174</td>
<td>749</td>
<td>271</td>
<td>1,020</td>
</tr>
<tr>
<td>Other Cargo</td>
<td>1,882</td>
<td>888</td>
<td>2,770</td>
<td>1,277</td>
<td>474</td>
<td>1,751</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,850</td>
<td>3,860</td>
<td>19,610</td>
<td>14,177</td>
<td>2,351</td>
<td>16,628</td>
</tr>
<tr>
<td><strong>Rangoon</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exports—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Timber</td>
<td>4,902</td>
<td>1,987</td>
<td>5,889</td>
<td>2,961</td>
<td>2,367</td>
<td>3,328</td>
</tr>
<tr>
<td>Other Cargo</td>
<td>648</td>
<td>298</td>
<td>1,244</td>
<td>269</td>
<td>697</td>
<td>1,146</td>
</tr>
<tr>
<td>Imports—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foodstuffs</td>
<td>658</td>
<td>690</td>
<td>1,348</td>
<td>282</td>
<td>994</td>
<td>1,376</td>
</tr>
<tr>
<td>Other Cargo</td>
<td>422</td>
<td>630</td>
<td>1,052</td>
<td>304</td>
<td>639</td>
<td>1,623</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,730</td>
<td>3,393</td>
<td>9,023</td>
<td>3,886</td>
<td>4,877</td>
<td>8,773</td>
</tr>
<tr>
<td><strong>Madras</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exports—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Timber</td>
<td>1,870</td>
<td></td>
<td>1,870</td>
<td>2,420</td>
<td>428</td>
<td>2,848</td>
</tr>
<tr>
<td>Other Cargo</td>
<td>63</td>
<td></td>
<td>63</td>
<td>9</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Imports—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foodstuffs</td>
<td>4</td>
<td></td>
<td>4</td>
<td>12</td>
<td>12</td>
<td>21</td>
</tr>
<tr>
<td>Other Cargo</td>
<td>50</td>
<td></td>
<td>50</td>
<td>107</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,989</td>
<td></td>
<td>1,989</td>
<td>2,536</td>
<td>440</td>
<td>2,976</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>23,669</td>
<td>7,553</td>
<td>31,222</td>
<td>20,009</td>
<td>7,668</td>
<td>28,277</td>
</tr>
</tbody>
</table>
422. In comparing the earnings in 1929-30 with those of the previous years it should also be borne in mind that the following rates of freight were increased from October 1929.

<table>
<thead>
<tr>
<th>Description of Cargo</th>
<th>Rate per ton. Prior to October 1929</th>
<th>Rate per ton. From October 1929</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice and Dali</td>
<td>Rs. 14</td>
<td>Rs. 18</td>
</tr>
<tr>
<td>General cargo (Import)</td>
<td>Rs. 21</td>
<td>Rs. 24</td>
</tr>
<tr>
<td>General cargo not being the produce of the Islands (Exports)</td>
<td>Rs. 21</td>
<td>Rs. 24</td>
</tr>
</tbody>
</table>

The increase in rates also contributed partly to the reduction of loss in 1929-30.

423. The following are the comparative figures of expenditure and the earnings from the voyages to and from the various ports in 1929-30.
<table>
<thead>
<tr>
<th>Name of Port</th>
<th>No. of voyage</th>
<th>No. of days</th>
<th>Expenditure</th>
<th>Average Expenditure per voyage</th>
<th>Earnings</th>
<th>Average earnings per voyage</th>
<th>Net loss Per voyage</th>
<th>Net loss Per day</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. S. &quot;MAHARAJA&quot;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Calcutta</td>
<td>104</td>
<td>241</td>
<td>3,76,213</td>
<td>35,899</td>
<td>2,87,917</td>
<td>27,420</td>
<td>8,409</td>
<td>366-4</td>
</tr>
<tr>
<td>Rangoon</td>
<td>6</td>
<td>86</td>
<td>1,34,280</td>
<td>22,375</td>
<td>1,06,446</td>
<td>17,741</td>
<td>4,634</td>
<td>329-2</td>
</tr>
<tr>
<td>Madras</td>
<td>2</td>
<td>38</td>
<td>50,320</td>
<td>29,860</td>
<td>36,566</td>
<td>18,283</td>
<td>11,277</td>
<td>599-8</td>
</tr>
<tr>
<td>S. S. &quot;AHMEDI&quot;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Calcutta</td>
<td>7</td>
<td>159</td>
<td>1,70,509</td>
<td>24,358</td>
<td>73,922</td>
<td>10,266</td>
<td>13,708</td>
<td>607-5</td>
</tr>
<tr>
<td>Rangoon</td>
<td>8</td>
<td>117</td>
<td>1,25,469</td>
<td>15,663</td>
<td>99,208</td>
<td>12,401</td>
<td>3,282</td>
<td>224-8</td>
</tr>
<tr>
<td>Other Ports</td>
<td>7</td>
<td>71</td>
<td>70,139</td>
<td>10,877</td>
<td>21,433</td>
<td>3,061</td>
<td>7,816</td>
<td>770-5</td>
</tr>
<tr>
<td>Out of Commission</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
424. From the following comparative table showing the average loss per voyage of S. S. "Maharaja" during the three years ended 1929-30, it will be seen that the losses have gone down in 1929-30 in the case of all the three Indian ports.

<table>
<thead>
<tr>
<th>Name of the Indian Port</th>
<th>Average loss per voyage to and from</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1929-30</td>
</tr>
<tr>
<td>Calcutta</td>
<td>Rs. 8,409</td>
</tr>
<tr>
<td>Rangoon</td>
<td>Rs. 4,634</td>
</tr>
<tr>
<td>Madras</td>
<td>Rs. 11,377</td>
</tr>
</tbody>
</table>

The loss on Madras voyages is the highest as the imports from Madras are very little and the loss on Calcutta voyages is greater than that on Rangoon voyages. The difference is not so appreciable if the number of days taken for the two voyages is 23 days and 14½ days, respectively.

425. The following is the tonnage showing the shipment of timber during the year 1929-30 to the three ports at existing freight rates.

<table>
<thead>
<tr>
<th>S. S. &quot;Maharaja&quot; and &quot;Ahmed&quot;</th>
<th>Total</th>
<th>At Rs. 10</th>
<th>At Rs. 12-8</th>
<th>At Rs. 15</th>
<th>At Rs. 20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>tons.</td>
<td>per ton.</td>
<td>per ton.</td>
<td>per ton.</td>
<td>per ton.</td>
</tr>
<tr>
<td>To Calcutta</td>
<td>11,306</td>
<td>2,650</td>
<td>7,575</td>
<td>880</td>
<td>192</td>
</tr>
<tr>
<td>To Rangoon</td>
<td>2,988</td>
<td>1,071</td>
<td>4,017</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>To Madras</td>
<td>1,870</td>
<td>1,174</td>
<td>606</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>19,165</td>
<td>4,894</td>
<td>13,188</td>
<td>881</td>
<td>192</td>
</tr>
</tbody>
</table>

From the above it will be seen that a greater portion of timber shipment relates to the freight rate of Rs. 12-8-0 per ton. Apart from the above quantity of timber the Forest Department shipped 5,448 tons by vessels other than our chartered steamers during the year 1929-30. Had this quantity been shipped by our steamers, there would have been an additional earning of Rs. 68,100 taking on an average freight of Rs. 12-8-0 per ton.

426. Profit and loss accounts.—These accounts show a total loss of Rs. 4,23,927 and Rs. 3,41,108 in 1928-29 and 1929-30 respectively against a loss of Rs. 4,11,336 in 1927-28. In arriving at these losses pro-forma adjustments have been made for the following charges, besides the allowances of the Shipping Officer, and salaries of Establishment paid out of the Budget of the Shipping Office—

(a) Wages of Stevedoring gang and Convict Menial Staff.
(b) Rent of Office building and Godown.
(c) Rent of staff quarters supplied free.
(d) Printing and Stationery.
(e) Telephone Rent.
(f) Depreciation of furniture.
(g) Audit fees.
SECTION II.—Remarks by the Director of Commercial Audit.

427. The working of the Shipping Office has resulted in a total loss of Rs. 3,41,108 and Rs. 4,23,927 for the years 1929-30 and 1928-29, respectively as against Rs. 4,11,336 in 1927-28. The losses on the Voyage Account of the two vessels S. S. "Maharaja" and S. S. "Ahmedi" are compared below:

<table>
<thead>
<tr>
<th>Period</th>
<th>Loss (Rs.)</th>
<th>Percentage of loss to earnings</th>
<th>Loss (Rs.)</th>
<th>Percentage of loss to earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927-28</td>
<td>1,73,780</td>
<td>45-6</td>
<td>1,77,098</td>
<td>109-7</td>
</tr>
<tr>
<td>1928-29</td>
<td>2,01,071</td>
<td>56-0</td>
<td>1,91,604</td>
<td>112-1</td>
</tr>
<tr>
<td>1929-30</td>
<td>1,34,604</td>
<td>20-9</td>
<td>1,73,304</td>
<td>87-1</td>
</tr>
</tbody>
</table>

There is an improvement in the results of both the vessels during the year 1929-30 largely due to a greater number of convicts carried during the year and to a larger tonnage of cargo handled. The improvement is also partly due to the increase in rates of freight. With a view to reduction of the losses the existing rates for the passenger and cargo transport were examined during audit. It would appear that the rates of the Shipping Department are definitely low as compared with the rates quoted by Shipping Companies for running their vessels between Calcutta, Rangoon and Madras proportionate to the mileage involved. The present timber freights to Rangoon are however considered adequate.

428. It is understood that the renewal of the Charter of the S.S. "Maharaja" is under consideration. In view of the drop in freights since the ship was chartered the possibility of obtaining more favourable terms might be examined.
<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th></th>
<th>1929-30</th>
<th></th>
<th>1928-29</th>
<th></th>
<th>1929-30</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>S.S.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
<td><strong>Rs.</strong></td>
</tr>
<tr>
<td>&quot;Maharaja&quot;</td>
<td>52,438</td>
<td>57,675</td>
<td>52,039</td>
<td>56,093</td>
<td>90,036</td>
<td>49,319</td>
<td>91,356</td>
<td>44,923</td>
</tr>
<tr>
<td>&quot;Ahmedi&quot;</td>
<td>4,34,199</td>
<td>2,61,750</td>
<td>4,34,199</td>
<td>2,67,882</td>
<td>75,100</td>
<td>42,192</td>
<td>77,150</td>
<td>76,972</td>
</tr>
<tr>
<td><strong>Earnings</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot;Maharaja&quot;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot;Ahmedi&quot;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Miscellaneous Expenses</strong></td>
<td>7,984</td>
<td>421</td>
<td>7,984</td>
<td>421</td>
<td>5,69,784</td>
<td>3,72,117</td>
<td>5,69,784</td>
<td>3,72,117</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,69,784</td>
<td>3,72,117</td>
<td>5,69,784</td>
<td>3,72,117</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Losses brought down**
- S.S. "Maharaja" 1,34,604
- S.S. "Ahmedi" 1,73,303
- Salaries and allowances 23,397
- Charges not appearing in the Accounts of the Shipping Office 6,793
- Wages of Stovedoring gang and convict labour employed 6,793
- Rent of office and godowns 1,200
- Rent of staff quarters 481
- Printing, Stationery and Telephone Rent 270
- Depreciation of Furniture 150
- Audit fees 500
- Total 4,23,927

S. L. ANNETT,
Engineer Lieutenant Commander, R.I.M.,
Shipping Officer.

H. K. MALLIK,
Assistant Director of Commercial Audit,
Burma Circle.
MARINE DEPARTMENT, ANDAMANS.

SECTION I.—Review by the Chief Commissioner, Andamans and Nicobar Islands, on the Commercial Concerns of the Marine Department for the Year 1929-30.

430. As this is the first review of its kind prepared by this administration a brief history of the Department will perhaps be useful.

This Department since its inception was a service Department. There was an institution known as the “Central Stores” constituted under the orders of the Government of India, Home Department in their letter No. 119, dated the 20th April 1914 which undertook to supply the Marine and other Departments with stores. The Central Stores were abolished and merged in the Marine Stores in the year 1922 under the orders of the Government of India, Home Department in their letter No. 296-Jails, dated the 21st September 1922. The activities of this Department now consist of:—

1. General Port Superintendence.

2. Maintenance of Pontoons, buoys, lights, etc., necessary under Transport Regulations.

3. Maintenance of water transport such as steam launches, motor boats, lighters and row boats (these are still the chief means of transport within the harbour limits).

4. Marine Stores for the supply of materials to the Dockyard, other departments as necessary, and to the Marine craft for running purposes.

5. Maintenance of a Dockyard primarily for repairs of water borne craft of the Department. Work for other departments as required and for the public is also performed with a view to decreasing the departmental running expenses.

6. Supervision of Plant belonging to other departments.

431. It will be seen therefore that the Department is essentially a service department for administrative purposes and this idea is always inseparable from its main activities. While reviewing the results it is therefore essential to keep in view the above principle. Another important point to be clearly borne in the mind of anybody scrutinising this report is the fact of these islands being a convict settlement. The Government of India have decided to constitute some of the activities of the Department on a commercial basis mainly with an object of bringing out the financial effects of these concerns and placing them before the Public Accounts Committee. Until very recently all audit check was relaxed and consequently in many instances definite data is not available. Efforts are being made both by this administration and by the Audit Office to regularise the accounts and frame rules, etc., where necessary. The review can therefore be confined only to the figures exhibited in the commercial audit accounts and can be assumed to approach the true position as nearly as possible.

432. Dockyard Working Account.—The comparative figures of charges and receipts shown below taken from the commercial account indicate how the deficiencies arose during the 3 years 1927-28 to 1929-30,
Comparative statement showing the results of the Dockyard working account for 1927-28 to 1929-30.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.  A.  P.</td>
<td>Rs.  A.  P.</td>
<td>Rs.  A.  P.</td>
</tr>
<tr>
<td>To Direct charges—</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Materials</td>
<td>44,382 8 0</td>
<td>36,304 11 0</td>
<td>32,208 15 0</td>
</tr>
<tr>
<td>Labour (free)</td>
<td>11,295 4 0</td>
<td>13,919 1 0</td>
<td>14,914 12 0</td>
</tr>
<tr>
<td>Labour (Convicts)</td>
<td>33,278 8 0</td>
<td>33,385 3 0</td>
<td>28,669 13 0</td>
</tr>
<tr>
<td>Over heads (power)</td>
<td>6,083 8 0</td>
<td>4,443 7 0</td>
<td>3,678 12 0</td>
</tr>
<tr>
<td>Over heads (shop)</td>
<td>24,288 0 0</td>
<td>26,709 15 0</td>
<td>29,598 6 0</td>
</tr>
<tr>
<td>Over heads (General)</td>
<td>13,592 3 0</td>
<td>14,805 12 0</td>
<td>10,132 2 0</td>
</tr>
<tr>
<td>Total</td>
<td>1,33,520 12 0</td>
<td>1,29,748 1 0</td>
<td>1,24,199 12 0</td>
</tr>
</tbody>
</table>

Receipts.

By recoveries effected—

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Stores</td>
<td>2,821 5 0</td>
<td>1,341 14 0</td>
<td>1,848 6 0</td>
</tr>
<tr>
<td>Labour</td>
<td>9,437 4 0</td>
<td>3,750 11 0</td>
<td>5,835 7 0</td>
</tr>
<tr>
<td>Contage</td>
<td>291 3 0</td>
<td>214 14 0</td>
<td></td>
</tr>
</tbody>
</table>
| Debit to Marine Department for work executed—
  Stores       | 44,031 0 0  | 34,387 3 0   | 30,360 9 0   |
  Labour       | 10,127 0 0  | 8,217 10 0   | 9,388 3 0    |
| Total         | 64,257 15 0 | 42,604 4 0   | 39,748 9 0   |
| Deficiency on working transferred to Income and Expenditure accounts | 60,263 0 0 | 81,323 13 0 | 76,767 3 0 |
| Total         | 1,33,520 15 0| 1,29,748 1 0 | 1,24,199 12 0|

It will be seen from the above figures that while the outturn during these years when compared to the outlay tended to decrease the outturn in 1929-30 showed slight improvement, the percentage of outturn to the outlay being 48-09 per cent., 37-31 per cent. and 38-16 per cent., respectively. It should however be borne in mind that the outturn represented in the accounts is nearly the net receipt of the concern after eliminating the deficiencies. The outturn has decreased in proportion to the increase under overheads. The figures below will bring out this fact more clearly.
Statement showing the distribution of the deficiency under Dockyard account for the three years 1927-28 to 1929-30.

<table>
<thead>
<tr>
<th>Nature of heads</th>
<th>Deficiency 1927-28</th>
<th>Deficiency 1928-29</th>
<th>Deficiency 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.     A. P.</td>
<td>Rs.     A. P.</td>
<td>Rs.     A. P.</td>
</tr>
<tr>
<td>Materials</td>
<td>24,699 5 0</td>
<td>33,121 1 0</td>
<td>27,357 15 0</td>
</tr>
<tr>
<td>Productive labour</td>
<td>30,971 8 0</td>
<td>31,243 6 0</td>
<td>33,277 2 0</td>
</tr>
<tr>
<td>Factory Overheads</td>
<td>13,592 3 0</td>
<td>14,805 12 0</td>
<td>16,132 2 0</td>
</tr>
<tr>
<td>General Overheads</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>69,363 0 0</td>
<td>81,353 13 0</td>
<td>70,767 3 0</td>
</tr>
</tbody>
</table>

Materials.—These have been constant throughout except for a small deficiency in 1928-29.

Productive Labour.—The main reason for the large outlay on productive labour is not far to seek. Owing to the inelasticity of the labour conditions in the islands the services of skilled labourers are not available. Convict labour at a certain minimum strength has to be kept whether work offers or not and when productive work is not available they are necessarily to be engaged on unproductive works in the shops. Normally any other commercial concern under similar circumstances would engage labour on daily wages and increase or decrease it as work offers or not. This cannot be done in this administration as the convicts have to be maintained whether they are working in the Dockyard or otherwise—allowance should necessarily be made for idle labour. It should however be noted that owing to the gradual closing down of the convict settlement the proportion of free labour when compared to the convict labour is slowly increasing.

The total cost of free and convict labour in 1927-28 and 1929-30 being Rs. 112,955,33,280 and Rs. 112,789,27,670 respectively. Better results are anticipated in subsequent years.

Factory Overheads.—These consist of 2 items (1) Power and (2) Shop Overheads. The expenditure under (1) has steadily been decreasing apparently due to the fall in the price of coal and other fuel and it is possible that this may not rise. The expenditure under (2) on the other hand has been rising steadily. The reason being (a) increase under general menial establishment. Prior to 1928-29 all expenditure on the maintenance of the convicts was met by the Settlement and no adjustments were apparently made on account of this head. (b) Increase under leave and pensionary charges owing to the enhanced rate of pay of the staff due to increments, etc. (c) Increase under depreciation on Plant and Machinery and Interest on Capital, due to the large amount of new Machinery purchased during 1928-29 and 1929-30.

General Overheads.—This also indicates a general rise and is dependent on the general increase of pay of establishment due to annual increments, leave and pensionary charges, etc., increasing correspondingly.
### Comparative statement showing the income and expenditure of the Marine Department for the years 1927-28 to 1929-30.

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>To Running Expenses of Launches, etc.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Launches, etc.</td>
<td>1,72,964 10</td>
<td>1,73,932 12</td>
<td>1,75,791 3</td>
</tr>
<tr>
<td>Deficiency under stores and Dockyard accounts</td>
<td>72,131 3</td>
<td>1,01,141 0</td>
<td>87,215 2</td>
</tr>
<tr>
<td>Maintenance of Steam Cutter Nan-cowry</td>
<td>8,152 10</td>
<td>405 0</td>
<td></td>
</tr>
<tr>
<td>Maintenance of Time Gun</td>
<td>1,891 0</td>
<td>382 0</td>
<td></td>
</tr>
<tr>
<td>Purchase of Steam Launches and lighters</td>
<td></td>
<td>83,925 0</td>
<td>92,497 10</td>
</tr>
<tr>
<td>Purchase of Plant and Machinery</td>
<td></td>
<td>32,434 0</td>
<td></td>
</tr>
<tr>
<td><strong>General Superintendence</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Establishment</td>
<td>9,055 14</td>
<td>11,390 15</td>
<td>12,204 0</td>
</tr>
<tr>
<td>Convict Establishment</td>
<td>10,055 0</td>
<td>1,257 12</td>
<td>1,438 5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,74,256 5</td>
<td>4,04,938 13</td>
<td>3,69,248 11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>INCOME</strong></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>By recoveries effected. <strong>(Cash and adjustment)</strong></td>
<td>86,735 1</td>
<td>81,179 12</td>
<td>91,400 13</td>
</tr>
<tr>
<td>Ferry service</td>
<td>3,589 0</td>
<td>5,218 14</td>
<td>5,019 5</td>
</tr>
<tr>
<td>Transfer of Ordnance Stores</td>
<td></td>
<td>382 0</td>
<td></td>
</tr>
<tr>
<td>Issue of Plant, etc. to Dockyard</td>
<td></td>
<td>32,434 0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>92,324 1</td>
<td>1,19214 10</td>
<td>96,489 2</td>
</tr>
</tbody>
</table>

| Net charges of the working of the Department    | 1,81,932 4 | 2,83,744 2 | 2,72,768 0   |
| **Total**                                        | 2,74,256 5 | 4,04,938 13 | 3,69,248 11 |

1. **Running Expenses of Launches.** — As already pointed out in para. 430 the chief means of water transport is, of launches and motor boats and hence a certain number must necessarily be maintained on administrative grounds. The collection on account of the ferry service contract is quite negligible as by virtue of a long standing practice (recognised by the Government of India) only the free population of the islands other than Government servants and their families, etc., are liable to pay the ferry fare.

It is therefore necessary to consider these expenses under two heads (viz.):

(a) Expenditure on the maintenance of the ferry service, etc., on administrative grounds.

(b) Expenditure on the launches, lighters, etc., supplied to private traders, etc., for import and export purposes.
On the expenditure side owing to some of the craft being very old, heavy expenditure on stores must necessarily be incurred on their maintenance.

Even though the establishment has not appreciably been increased, the expenditure is steadily increasing owing to annual increments, etc. The expenditure on stores has increased from Rs. 25,000 in 1927-28 to Rs. 39,000 in 1929-30. About Rs. 15,000 in the expenditure for 1929-30 was for purchase of mooring gear required for towing certain new launches, lighter and mooring buoys purchased during that year.

On the receipt side while the recoveries on account of ferry service are negligible, the recoveries from private individuals has appreciably increased in 1929-30 no serious attempts were made in the past to see if the recoveries were adequate. The Landing and Shipping charges, etc., have since been increased from August 1930 and better results can be anticipated in subsequent years, as trade develops.

(11) **Deficiency under Stores Accounts.**—The deficiency under this head when compared to 1927-28 is due to the reduction in the percentage charge from 25% to 15% and 10% from July 1928. This of course is not the main cause for the deficiency, since the percentage was only on limited transactions to the public and other departments, and are quite adequate. The main cause is to be sought somewhere else. Possibly owing to the climatic conditions in these islands materials deteriorate rapidly and have to be condemned and written off more frequently than elsewhere. Freight on stores adjusted under G.6 Passage money was charged to stores accounts entirely and no allocation of this expenditure was made to Dockyard or Marine Department Income and Expenditure accounts. It is probable that after the introduction of the priced ledger and the accounting procedure suggested by Mr. George in his audit report on the accounts for 1927-28 the results may be gauged more accurately.

**SECTION II.—REMARKS BY THE DIRECTOR OF COMMERCIAL AUDIT.**

434. The net costs to Government of the Marine Department for the last three years are as follows:

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance of launches, lighters, etc.</td>
<td>91,342</td>
<td>98,142</td>
<td>98,252</td>
</tr>
<tr>
<td>Deficiency in Dockyard working</td>
<td>69,263</td>
<td>81,350</td>
<td>76,707</td>
</tr>
<tr>
<td>Deficiency in stores</td>
<td>2,868</td>
<td>10,783</td>
<td>10,451</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,63,373</strong></td>
<td><strong>1,99,283</strong></td>
<td><strong>1,83,470</strong></td>
</tr>
<tr>
<td>Maintenance and upkeep of Cutter Nan-cowry</td>
<td>8,152</td>
<td>493</td>
<td><strong>...</strong></td>
</tr>
<tr>
<td>Maintenance of Time Gun</td>
<td>1,856</td>
<td>Transferred to Police Department.</td>
<td></td>
</tr>
<tr>
<td>General superintendence of port</td>
<td>8,531</td>
<td>2,041</td>
<td>1,060</td>
</tr>
<tr>
<td>Purchase of steam launches, lighters, etc.</td>
<td>83,925</td>
<td>92,307</td>
<td>92,407</td>
</tr>
<tr>
<td><strong>Less Sales of machinery and boats</strong></td>
<td><strong>2,77,059</strong></td>
<td><strong>2,75,769</strong></td>
<td><strong>2,73,709</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,51,922</strong></td>
<td><strong>2,87,744</strong></td>
<td><strong>2,73,709</strong></td>
</tr>
</tbody>
</table>
The increase in expenditure during the last two years is due mainly to the purchase of steam launches, lighters, tug boats, etc., the cost of which has been directly charged to the Income and Expenditure Account. Under a commercial system of accounting such purchases are capitalised, the revenue account bearing only the proportionate depreciation and repair charges. At present only the working account of the Dockyard has been treated as commercial as it has not been possible to introduce commercialisation in the Andamans all at once. It will be desirable, however, to follow the commercial practice in the matter of accounting for capital assets and the point has been suggested for the consideration of Government.

435. The increased deficiency under the Dockyard working is explained by the fact that there was no corresponding reduction in the productive labour for 1928-29 and 1929-30 though there was a definite fall in the outturn of these years. The deficiency in the dockyard accounts is largely a result of the defective rates of recovering overheads. The figures for overheads for the last three years indicate that the rate of recovery should be based on productive labour in the neighbourhood of 100%, taking into consideration the fact that a certain part of labour may remain idle from time to time.

436. The increase of deficiency under Stores is mainly due to the reduction in the percentage charged for overheads from 25% to 15% and 10%.

437. The question of commercialising the Marine Stores was gone into during the inspection and suitable forms and instructions were drawn up.
### Income and Expenditure Account for the years 1928-29 and 1929-30.

<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rs.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To running expenses of motor launches, Steam Launches, Lighters, Boats, etc.:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages of Drivers, syrangs, stokers and lascars</td>
<td>35,707</td>
<td>34,450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stores Marine and Local material consumed</td>
<td>28,004</td>
<td>38,330</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coal consumed</td>
<td>36,003</td>
<td>34,219</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repairs and renewals</td>
<td>42,555</td>
<td>39,749</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convict Workers</td>
<td>31,494</td>
<td>28,523</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Deficiency under</strong></td>
<td>10,785</td>
<td>10,451</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stores account</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dockyard Working Account</td>
<td>81,359</td>
<td>76,767</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Steam Launches</td>
<td>30,600</td>
<td>25,292</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Lighters</td>
<td>32,330</td>
<td>57,205</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance of Steam Cutter Stance</td>
<td>495</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordnance Stores</td>
<td>382</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Plant and Machinery for Dockyard</td>
<td>32,434</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>By recoveries effected</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash recovery claims</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pro-formal adjustments</td>
<td>3,077</td>
<td></td>
<td>6,928</td>
<td></td>
</tr>
<tr>
<td>Landing Charges</td>
<td>5,231</td>
<td></td>
<td>6,022</td>
<td></td>
</tr>
<tr>
<td>Sale of settlement produce, hire of vessels, private towage, sale of boat and miscellaneous recoveries.</td>
<td>70,572</td>
<td></td>
<td>75,070</td>
<td></td>
</tr>
<tr>
<td>Sale of Machinery</td>
<td>282</td>
<td></td>
<td>3,740</td>
<td></td>
</tr>
<tr>
<td>Transfer of Ordnance Stores (as per contra)</td>
<td>32,434</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issue of Plant and Machinery to Dockyard (as per contra)</td>
<td>5,219</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recoveries on the auction of the rights to collect ferry service tickets</td>
<td>3,867,44</td>
<td></td>
<td>2,727,69</td>
<td></td>
</tr>
</tbody>
</table>

**Net excess of expenditure over income**: 2,727,69
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of Pay of the Engineer and Harbour Master</td>
<td>4,900</td>
</tr>
<tr>
<td>Share of Pay of the office establishment</td>
<td>4,500</td>
</tr>
<tr>
<td>Travelling allowance of officers and establishment</td>
<td>2,044</td>
</tr>
<tr>
<td>Share of office expenses and miscellaneous charges</td>
<td>2,324</td>
</tr>
<tr>
<td>Passage money</td>
<td>1,488</td>
</tr>
<tr>
<td>Subsistence allowance granted to convicts</td>
<td>4,04,330</td>
</tr>
</tbody>
</table>
### Dockyard Working Account for the years 1928-29 and 1929-30

<table>
<thead>
<tr>
<th></th>
<th>Rs. 1928-29</th>
<th>Rs. 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>To Direct Charges</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Materials</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wood working</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metal working</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundry</td>
<td>36,395</td>
<td></td>
</tr>
<tr>
<td>Leather working</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor reconditioning</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>32,909</td>
<td></td>
</tr>
<tr>
<td><strong>To Labour—Foremen</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wood working</td>
<td>5,516</td>
<td></td>
</tr>
<tr>
<td>Metal working</td>
<td>4,468</td>
<td></td>
</tr>
<tr>
<td>Drivers</td>
<td>3,395</td>
<td></td>
</tr>
<tr>
<td>Boiler making</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Convict workers</td>
<td>33,385</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,894</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5,558</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,430</td>
<td></td>
</tr>
<tr>
<td></td>
<td>27,669</td>
<td></td>
</tr>
<tr>
<td><strong>To Overheads</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coal and Fuel, etc.</td>
<td>4,443</td>
<td>3,670</td>
</tr>
<tr>
<td><strong>To Shop Overheads</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay of Foreman Engineer</td>
<td>3,118</td>
<td>4,208</td>
</tr>
<tr>
<td>Pay of Master Carpenter</td>
<td>4,678</td>
<td>4,600</td>
</tr>
<tr>
<td>Pay of Motor Mechanic</td>
<td>2,552</td>
<td>2,682</td>
</tr>
<tr>
<td>General Manial Establishment</td>
<td>3,399</td>
<td>3,057</td>
</tr>
<tr>
<td>Stores for shop use</td>
<td>759</td>
<td>1,040</td>
</tr>
<tr>
<td>Leave and Pension Contribution</td>
<td>5,192</td>
<td>5,756</td>
</tr>
<tr>
<td>Depreciation on Plant and Machinery</td>
<td>4,625</td>
<td>5,314</td>
</tr>
<tr>
<td>Interest on Capital</td>
<td>2,038</td>
<td>1,351</td>
</tr>
<tr>
<td>Audit Fee</td>
<td>300</td>
<td>500</td>
</tr>
<tr>
<td><strong>To General Overheads</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of pay of Engineer and Harbour Master</td>
<td>4,500</td>
<td>4,500</td>
</tr>
<tr>
<td>Share of office establishment</td>
<td>3,394</td>
<td>4,879</td>
</tr>
<tr>
<td>Leave and Pension contribution of Engineer and Harbour Master and office establishment</td>
<td>2,942</td>
<td>2,942</td>
</tr>
</tbody>
</table>

### By Recoveries effectied

<table>
<thead>
<tr>
<th>Type of Recoveries</th>
<th>Rs. 1928-29</th>
<th>Rs. 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, Recovery claims and Pro-forma adjustments</td>
<td>1,848</td>
<td>8,385</td>
</tr>
<tr>
<td>Stores (Cash and local materials)</td>
<td></td>
<td>1,848</td>
</tr>
<tr>
<td>Labour (skilled and unskilled)</td>
<td></td>
<td>8,385</td>
</tr>
<tr>
<td>Centage (on cash recoveries)</td>
<td>215</td>
<td></td>
</tr>
</tbody>
</table>

### By Debit to Marine Department for work executed

<table>
<thead>
<tr>
<th>Type of Recoveries</th>
<th>Rs. 1928-29</th>
<th>Rs. 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stores (Cash and local materials)</td>
<td>34,367</td>
<td>90,341</td>
</tr>
<tr>
<td>Labour (skilled and unskilled)</td>
<td>8,217</td>
<td>9,388</td>
</tr>
</tbody>
</table>

### By Deficiency in working transferred to Marine Department Income and Expenditure Account

<table>
<thead>
<tr>
<th>Type of Recoveries</th>
<th>Rs. 1928-29</th>
<th>Rs. 1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marine Department Income and Expenditure Account</td>
<td>81,326</td>
<td>76,767</td>
</tr>
<tr>
<td>Description</td>
<td>Amount</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td>Office Expenditure</td>
<td>1,352</td>
<td></td>
</tr>
<tr>
<td>Office Rent</td>
<td>1,110</td>
<td></td>
</tr>
<tr>
<td>Office Expenditure (staff)</td>
<td>1,458</td>
<td></td>
</tr>
<tr>
<td>Printing and Stationery and Telephone charges</td>
<td>1,003</td>
<td></td>
</tr>
<tr>
<td>Rent of quarters</td>
<td>1.234,100</td>
<td></td>
</tr>
<tr>
<td>Shores Account</td>
<td>1.234,100</td>
<td></td>
</tr>
<tr>
<td>Total to be received</td>
<td>1,234,100</td>
<td></td>
</tr>
<tr>
<td>Balance on hand at beginning of the year</td>
<td>1,611,193</td>
<td></td>
</tr>
<tr>
<td>Revenue on Stores received</td>
<td>29,938</td>
<td></td>
</tr>
<tr>
<td>Cost of Stores</td>
<td>1,823</td>
<td></td>
</tr>
<tr>
<td>Interest on Stores</td>
<td>1,823</td>
<td></td>
</tr>
<tr>
<td>Balance carried down</td>
<td>1,823</td>
<td></td>
</tr>
<tr>
<td>Assistant Director of Commercial Audit</td>
<td>H. K. Mallick</td>
<td></td>
</tr>
</tbody>
</table>
EXECUTIVE COMMISSARIAT DEPARTMENT, ANDAMANS.

SECTION 1.—Review by the Chief Commissioner, Andamans and Nicobar Islands, on the Commercial concerns of the Commissariat Department for the year 1929-30.

440. This review deals with the Bakery, Dairy Farm and the Butchery (Slaughter House) attached to the Commissariat Department in this Administration for the years 1928-29 and 1929-30.

The first review for 1928-29 was not prepared by the Director of Commercial Audit as intended, apparently for want of want of the audited accounts. Hence this forms the first of a series of reviews and a preliminary sketch of the activities of these concerns may be of help in reviewing the accounts.

These concerns have been in existence since the starting of the Convict Settlement and were intended mainly to cater for the public, other Departments and the Military. Owing to the peculiar circumstances that existed, as a Convict Settlement these concerns were treated as service concerns, though recoveries were made for a part of the service, which were not equal to the outlay expended. Prices were not fixed so as to cover the cost of establishment and other overheads. However, as the Convict Settlement is now slowly evolving into a free colony, things have shaped themselves to suit the needs of the day and adjustments and re-adjustments have been made in the working of these concerns and in prices, etc. The accounts of these concerns for 1927-28 were first examined by the Assistant Director of Commercial Audit, Madras, in 1929, and as a result of his report these are now constituted as commercial concerns.

441. Any one attempting to review the accounts of these concerns should clearly bear in mind the various handicaps one has to overcome in a Convict Settlement. The isolated situation of these Islands, the irregular steamer service and the lack of facilities for free labour, all combine to keep these Islands in an undeveloped state. It is also not possible to entirely isolate the commercial activities from the service activities of the Department. One cannot therefore be too optimistic about achieving better results. A certain amount of loss has therefore to be faced—as in all Government commercial concerns. Having in view the above remarks the individual accounts may be considered.

442. Andamans Bakery.—From the comparative statement of Trading and Profit and Loss Accounts for the three years 1927-28 to 1929-30 given below it will be seen that this concern has always been working at a profit.

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>A. F.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Debits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening stock</td>
<td>5</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Stores used in Manufacture</td>
<td>10,981</td>
<td>2</td>
<td>9,329</td>
</tr>
<tr>
<td>Establishment (fees covent)</td>
<td>1,250</td>
<td>0</td>
<td>1,321</td>
</tr>
<tr>
<td>Depreciation on P. and M.</td>
<td>50</td>
<td>0</td>
<td>52</td>
</tr>
<tr>
<td>Overheads and Establishment, Rent, Interest, etc.</td>
<td>670</td>
<td>0</td>
<td>633</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,056</td>
<td>8</td>
<td>11,536</td>
</tr>
<tr>
<td><strong>Profit</strong></td>
<td>1,986</td>
<td>7</td>
<td>3,143</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,044</td>
<td>13</td>
<td>14,679</td>
</tr>
</tbody>
</table>
The profits for 1928-29 and 1929-30 being 20·8 per cent. and 17·7 per cent. respectively over the turnover.

443. Andamans Dairy Farm.—The one fact that continually escapes notice with regard to the Dairy Farm is that it is also a Cattle Breeding Station engaged in educational and research activities. No Dairy that is run purely as a profit making concern will attempt to rear calves. They are either killed or sold. In Port Blair local cattle are in need of improvement though they compare favourably with those found in the greater part of India. This result has been achieved by direct Government action over a period of years. The chief methods have been (1) provision of well bred stud bulls by Government with free service, (2) castration of 99 per cent. of bull calves in village hards before they are old enough to reproduce, and (3) infiltration of good stock by the sale of Dairy Bred Calves to cultivators.

This policy cannot pay as judged by account standards and yet the profit is tangible enough. Every civilised country to-day recognises the necessity of action to improve the local stock and nowhere such activities can result in direct money profit. Thus the dairy farm here is contributing towards the improvement of local cattle and income derived from its main activities should be partly set off against its research and educational activities.

A comparative statement showing the Trading and Profit and Loss Accounts for three years 1927-28 to 1929-30 is below.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>A. P.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Credits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of A. F. Bread</td>
<td>14,194</td>
<td>13 0</td>
<td>14,289</td>
</tr>
<tr>
<td>Sale of Brown Bread</td>
<td>652</td>
<td>14 0</td>
<td>438</td>
</tr>
<tr>
<td>Sale of Biscuits, buns, etc.</td>
<td>147</td>
<td>0 0</td>
<td>224</td>
</tr>
<tr>
<td>Closing Stock</td>
<td>0 3</td>
<td>0</td>
<td>3 8</td>
</tr>
<tr>
<td>Total</td>
<td>14,994</td>
<td>14 0</td>
<td>14,979</td>
</tr>
</tbody>
</table>

Debits—

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>A. P.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Purchase of Dairy produce</td>
<td>4,254</td>
<td>7 0</td>
<td>8 8</td>
</tr>
<tr>
<td>Fodder and other store</td>
<td>7,309</td>
<td>1 0</td>
<td>10,274</td>
</tr>
<tr>
<td>Convict Estd.</td>
<td>4,966</td>
<td>8 0</td>
<td>4,920</td>
</tr>
<tr>
<td>Veterinary Estd.</td>
<td>439</td>
<td>8 0</td>
<td>475</td>
</tr>
<tr>
<td>Share of other Estd. Charges</td>
<td>4,072</td>
<td>5 0</td>
<td>4,105</td>
</tr>
<tr>
<td>Transport Charges</td>
<td>1,368</td>
<td>12 0</td>
<td>1,399</td>
</tr>
<tr>
<td>Rent, Interest and Leave and Pemian Charges</td>
<td>3,985</td>
<td>12 0</td>
<td>4,113</td>
</tr>
<tr>
<td>Depreciation on Cattle</td>
<td>2,108</td>
<td>10 0</td>
<td>2,875</td>
</tr>
<tr>
<td>Casualties and Sales, etc.</td>
<td>765</td>
<td>0 0</td>
<td></td>
</tr>
<tr>
<td>Depreciation on Equipment</td>
<td>623</td>
<td>4 0</td>
<td></td>
</tr>
<tr>
<td>Depreciation on tools</td>
<td>144</td>
<td>11 0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>30,097</td>
<td>14 0</td>
<td>28,190</td>
</tr>
</tbody>
</table>
It could be seen that the farm produced and sold during the year 1929-30 produce to the value of Rs. 44,200 approximately against Rs. 19,000 in the previous year while the capital value of stock had increased by Rs. 2,000 since 1927-28. Although the farm increased its total output by over 100 per cent. compared with the previous year, the milk supply was not found sufficient and milk to the value of Rs. 11,650 had to be bought from contractors for issue to hospitals to bolster up Dairy supplies. The same climatic drawbacks that affect live-stock farming of all kinds here have their adverse effect on the dairy. Losses from disease, deterioration of milking yields and lack of nutriment on the grazing which is itself rapidly diminishing in quantity, all tend to make dairy farming a continual battle.

Prices.—The price per pound of milk, cream and butter are Rs. 0-2-6, 1-4-0, and 2-0-0 respectively and these are considered reasonable under the existing circumstances in these Islands, where no private sources of supply exist that could hope to cope with the situation without causing hardship to the population, official and otherwise. It is scarcely fair to raise the prices of the ordinary staple foods produced with ceaseless labour and continual disappointment under bad climatic conditions until a theoretical profit can be shown in the accounts.

To summarise the whole, the profit or loss may be analysed as shown below.

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. A P</td>
<td>Rs. A P</td>
<td>Rs. A P</td>
</tr>
<tr>
<td>Dairy Produce</td>
<td>1,296 L 13 0</td>
<td>7,663</td>
<td>9 0</td>
</tr>
<tr>
<td>Overheads Establishment</td>
<td>13,494</td>
<td>1 0</td>
<td>13,613 13 0</td>
</tr>
<tr>
<td>Cattle and Stores</td>
<td>223</td>
<td>8 0</td>
<td>89 9 0</td>
</tr>
<tr>
<td>Net loss or profit</td>
<td>12,450 12 0</td>
<td>5,838 11 0</td>
<td>2,703 14 0</td>
</tr>
</tbody>
</table>
While the Dairy produce alone shows a profit all along, it was the usual overheads inseparable from a Government concern which caused a net loss.

444. Andamans Butchery (Slaughter House).—As observed in the preliminary para., this branch exists mainly to feed the detachment of British Troops who have a daily ration strength of about 135 men. The rest of the daily outturn is consumed by residents, hospitals and ships, which help to bring the daily total consumption to about 180 lbs.

A comparative statement of Trading and Profit and Loss Accounts is below.

<table>
<thead>
<tr>
<th>Debits</th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of animals</td>
<td>27,797</td>
<td>27,720</td>
<td>21,498</td>
</tr>
<tr>
<td>Stores (feed transport)</td>
<td>17,881</td>
<td>10,814</td>
<td>8,718</td>
</tr>
<tr>
<td>Transfer of Cattle from Dairy Farm and</td>
<td>1,766 12</td>
<td>1,289 0</td>
<td>2,350 0</td>
</tr>
<tr>
<td>transport</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value of young stock</td>
<td>229 2</td>
<td>605 4</td>
<td>689 0</td>
</tr>
<tr>
<td>Convict Establishment</td>
<td>3,095 0</td>
<td>2,899 0</td>
<td>2,273 8</td>
</tr>
<tr>
<td>Veterinary Establishment</td>
<td>342 0</td>
<td>344 0</td>
<td>144 0</td>
</tr>
<tr>
<td>Overheads share of other Establishment</td>
<td>2,563 12</td>
<td>2,596 0</td>
<td>2,349 12</td>
</tr>
<tr>
<td>Charges</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent, depreciation, etc.</td>
<td>835 7</td>
<td>784 7</td>
<td>829 0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>64,480 12</td>
<td>47,052 11</td>
<td>38,849 0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Credits</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beef, mutton, etc., etc.</td>
<td>44,218 4</td>
<td>40,466 3</td>
<td>35,517 1</td>
</tr>
<tr>
<td>Sale and Transfer of Animals</td>
<td>1,019 0</td>
<td>1,861 2</td>
<td>2,447 4</td>
</tr>
<tr>
<td>Value of young stock as per centre</td>
<td>229 2</td>
<td>605 4</td>
<td>689 0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>45,463 6</td>
<td>42,932 9</td>
<td>38,653 5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Loss for the year</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>64,480 12</td>
<td>47,052 11</td>
<td>38,849 0</td>
</tr>
</tbody>
</table>

_Purchase of animals, feed, upkeep, etc._—Owing to the enormous freight charges and the high prices of imported cattle the butchery up to 1928 always showed a heavy loss. For instance while animals giving an outturn of 200 lbs. beef can occasionally be bought locally for about Rs. 45 to Rs. 50, imported animals giving an outturn of 105 lbs. cost Rs. 31 in Calcutta plus Rs. 30 freight—not counting in attendance, segregation costs, feeding on land and sea, etc. During 1928-30, local purchases were made by the Executive Commissariat Officer whereby losses were considerably reduced and a better outturn was also obtained as indicated in the statement below.
This was in spite of the fact that in 1928-29 goats which were originally intended for the Indian Troops were all sold alive locally on the transfer of the troops and caused a loss of Rs. 408 and odd.

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
</tr>
<tr>
<td>Local purchase</td>
<td>3,754 8 0</td>
<td>16,497 8 0</td>
<td>14,607 0 0</td>
</tr>
<tr>
<td>Imports</td>
<td>2,165 7 0</td>
<td>3,800 0 0</td>
<td>2,100 0 0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25,409 15 0</strong></td>
<td><strong>20,297 8 0</strong></td>
<td><strong>16,707 0 0</strong></td>
</tr>
</tbody>
</table>

The outturn on the other hand has improved much as the local cattle yielded better results as indicated below.

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cattle</td>
<td>Sheep</td>
<td>Goats</td>
<td>Cattle</td>
</tr>
<tr>
<td>Number of Animals Slaughtered</td>
<td>564</td>
<td>481</td>
<td>218</td>
</tr>
<tr>
<td>Average outturn per animal</td>
<td>lbs. 123-2</td>
<td>19-2</td>
<td>19-9</td>
</tr>
</tbody>
</table>

*Prices.*—The price charged for beef is 7 annas per lb. for all joints and 2 annas per lb. scrap and bones. This is double the price in India. Mutton used to be priced at Rs. 1-4 per lb. and found few buyers among the residents while the Army Department, on the score of expense, cancelled the normal weekly issue to troops and sanctioned a monthly issue instead. The price of mutton was therefore lowered to 12 annas a lb. on the recommendation of the Executive Commissariat Officer with a view to encourage its consumption and thus take some of the strain off the beef production. At that time beef was being sold at a good profit being from local animals and it was thought that the lowering of the price of mutton to annas 12 would be carried by profits on beef. The price of the best mutton in most stations in India is annas 6 per lb. and under.

A statement showing the analysis of the Profit and Loss is below.

**Analysis of Loss.**

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
<td>Rs. A. P.</td>
</tr>
<tr>
<td>Cattle and Stores</td>
<td>L. 12,181 5 0 P.</td>
<td>2,503 5 0 P.</td>
<td>5,400 9 0</td>
</tr>
<tr>
<td>Overheads Establishment, etc.</td>
<td>L. 6,836 3 0 L.</td>
<td>6,823 7 0 L.</td>
<td>5,096 4 0</td>
</tr>
<tr>
<td><strong>Net Total</strong></td>
<td><strong>L. 19,017 6 0 L.</strong></td>
<td><strong>4,126 2 0 L.</strong></td>
<td><strong>10,496 13 0</strong></td>
</tr>
</tbody>
</table>

It can be seen that the loss under cattle and stores in 1927-28 has turned out into profits during 1928-30 while it is the usual overheads that have resulted in a net loss to the concern.
The book loss for 1930-31 is expected to be high. The cattle population of all kinds and ages in the islands is about 10,000 head and reproduction is very slow, while disease kills off a high percentage of young stock which might, in better circumstances, become available for beef. The two years' exploitation weeded out nearly all the spare stock and importation has started again—which means going back to the conditions in 1927-28 with the inevitable result—heavy loss.

445. General expectations of the future.—The years 1928-29 and 1929-30 were exceptionally good ones. It should be noted that the present year 1930-31 will show very disappointing results in comparison.

Conditions that apply now are not likely to alter much for a long time. The supply of local slaughter cattle has almost ceased and expensive importation has commenced again, while Dairy Farm overheads have increased. Expansion in settlement of inland valleys and clearance of virgin jungle areas are of course inevitable at some future time and the islands may eventually become self-supporting from the point of view of certain commodities, but one cannot be too optimistic of the results.

SECTION II.—Remarks by the Director of Commercial Audit.

446. The activities of this department consisting of the Bakery, Dairy Farm and the Slaughter House were subjected to a test audit and Trading and Profit and Loss Accounts were compiled—summaries of the Trading Accounts of the same are attached. The following charges have not been included in the accounts prepared as the figures were not readily available, but this does not affect the results to any large extent as the amount involved is small:—

(i) Rent of buildings occupied by Executive Commissariat Officer and his staff,

(ii) Subsistence allowance of convict menials supplied free to officer and staff,

(iii) Depreciation of furniture and typewriter, and

(iv) Telephone rent.

447. Bakery.—The profit for the year 1929-30 is Rs. 2,526 as against Rs. 3,143 in 1928-29 and the decrease is chiefly due to the fall in turnover.

448. Dairy Farm.—The losses on the working for the three years are given below:—

<table>
<thead>
<tr>
<th>Year</th>
<th>Loss (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927-28</td>
<td>12,421</td>
</tr>
<tr>
<td>1928-29</td>
<td>5,839</td>
</tr>
<tr>
<td>1929-30</td>
<td>2,754</td>
</tr>
</tbody>
</table>

The decrease in the loss after 1927-28 is due to:

(i) the higher yield of milk in 1928-29 and 1929-30,
(ii) the higher yield of Cream and Butter,
(iii) the increase in the selling price of milk from As. 2 to As. 2.6 pies from September 1929.
Notwithstanding the improved results above set forth the milk yield of buffaloes as well as cows are poor as compared with the Government of India Dairies elsewhere. Buffaloes appear to thrive better in the Andamans than cows. According to the accounts the loss is the lowest in 1929-30. The actual working less should, however, be increased by a sum of Rs. 4,223 being the commission of 6 pies per lb. of milk earned on the milk purchased from contractors and supplied to the hospitals. Out of a total sale of milk during the year of 277,663 lbs. as much as 135,144 lbs. formed the supplies to hospital. The hospital would not have had to meet this extra charge of Rs. 4,223 had it been allowed to deal direct with the contractors.

The question of debiting a portion of the loss on working to the Army estimates was examined. As the strength of the troops stationed at Port Blair has been considerably reduced it might not be equitable to charge the Army estimates. It is also seen that many private contractors are coming forward to supply milk at cheaper rate as is evident from the large supplies to the hospitals. The prices of the Dairy products will have to be further increased if the concern is to pay its way.

449. Butchery.—The working results of the Butchery for the past three years were as follows:—

<table>
<thead>
<tr>
<th></th>
<th>1927-28</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit</td>
<td>Loss</td>
<td>Profit</td>
</tr>
<tr>
<td>Beef</td>
<td>Rs. 2,956</td>
<td>Rs. 3,330</td>
<td>Rs. 3,062</td>
</tr>
<tr>
<td>Mutton</td>
<td>2,956</td>
<td></td>
<td>330</td>
</tr>
<tr>
<td>Goats</td>
<td>1,161</td>
<td></td>
<td>330</td>
</tr>
</tbody>
</table>

The decrease in loss for 1928-29 and the profit for 1929-30 on beef were mainly due to local purchases of cattle at cheap rates and better output. The increase of loss in mutton for the year 1929-30 was chiefly due to the reduction in the selling price from Rs. 1-4 per lb. to Rs. 1-2 per lb. The original rate is about equal to the actual cost and the question of restoring it has been suggested for the consideration of Government. All the stock of goats, which were maintained for the Indian troops, were sold in 1928-29 at a loss of Rs. 408,
Executive Commissariat Office, Andamans.

450. Trading and Profit and Loss Accounts of the Dairy Farm for the years 1928-29 and 1929-30.

<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>To Grain and Fodder</td>
<td>8,822</td>
<td>11,383</td>
</tr>
<tr>
<td>Other stores—Dairy produce, Ice, etc.</td>
<td>1,202</td>
<td>13,234</td>
</tr>
<tr>
<td>Wages and subsistence allowances of attendants, milkers and coolies (including clothing to Dairy Farm staff)</td>
<td>5,059</td>
<td>6,063</td>
</tr>
<tr>
<td>Pay of Manager</td>
<td>2,400</td>
<td></td>
</tr>
<tr>
<td>Share of Veterinary charges</td>
<td>475</td>
<td>698</td>
</tr>
<tr>
<td>Share of Executive Commissariat Officer's pay</td>
<td>1,326</td>
<td>1,326</td>
</tr>
<tr>
<td>Transport and contingencies</td>
<td>1,379</td>
<td>1,391</td>
</tr>
<tr>
<td>Other charges for which no debit appears in Executive Commissariat Officer’s books</td>
<td>2,873</td>
<td>2,166</td>
</tr>
<tr>
<td>Value of animals dead</td>
<td>2,100</td>
<td>2,100</td>
</tr>
<tr>
<td>Rent of buildings</td>
<td>1,409</td>
<td>1,592</td>
</tr>
<tr>
<td>Interest on capital</td>
<td>304</td>
<td>567</td>
</tr>
<tr>
<td>Leave and Pension charges</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Printing and stationery</td>
<td>370</td>
<td>391</td>
</tr>
<tr>
<td>Share of clerical establishment</td>
<td>3,243</td>
<td>3,243</td>
</tr>
<tr>
<td>Depreciation of cattle, loss on sale, etc.</td>
<td>425</td>
<td></td>
</tr>
<tr>
<td>Depreciation on Equipment</td>
<td>103</td>
<td></td>
</tr>
<tr>
<td>Depreciation on Loose tools</td>
<td>2,754</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38,191</strong></td>
<td><strong>46,904</strong></td>
</tr>
<tr>
<td><strong>By Sale of Dairy Produce</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milk</td>
<td>13,907</td>
<td>38,214</td>
</tr>
<tr>
<td>Butter</td>
<td>3,701</td>
<td>4,213</td>
</tr>
<tr>
<td>Cream</td>
<td>982</td>
<td>943</td>
</tr>
<tr>
<td>Separated milk</td>
<td>639</td>
<td>799</td>
</tr>
<tr>
<td>Sale of condemned and unserviceable stores</td>
<td>1,815</td>
<td></td>
</tr>
<tr>
<td>Appreciation in value of young stock</td>
<td>1,200</td>
<td>81</td>
</tr>
<tr>
<td>Miscellaneous receipts</td>
<td>108</td>
<td></td>
</tr>
<tr>
<td>Loss</td>
<td>5,829</td>
<td>2,754</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38,191</strong></td>
<td><strong>46,904</strong></td>
</tr>
</tbody>
</table>

H. K. MALLICK,
Assistant Director of Commercial Audit.
### Executive Commissariat Office, Andamans.

**451. Trading and Profit and Loss Accounts of the Bakery for the years 1928-29 and 1929-30.**

<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>To Opening stock of bread</td>
<td></td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stores issued—flour, atta, etc.</td>
<td>9,540</td>
<td>9,380</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel</td>
<td></td>
<td>217</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages and subsistence allowances of bakers, coolies, etc. (including clothing to menials)</td>
<td>1,031</td>
<td>941</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary of Store-keeper</td>
<td></td>
<td>360</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other charges for which no debit appears in Executive Commissariat Officer's books—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clerical establishment</td>
<td></td>
<td>316</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent of buildings</td>
<td></td>
<td>240</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest, Depreciation and other charges</td>
<td>205</td>
<td>204</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit of the year</td>
<td></td>
<td>2,526</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,978</td>
<td>14,189</td>
<td></td>
<td>14,978</td>
<td>14,189</td>
</tr>
</tbody>
</table>

**H. K. MALLICK,**

*Assistant Director of Commercial Audit.*
Executive Commissariat Office, Andamans.

452. Trading and Profit and Loss Account of the Butchery for the years 1928-29 and 1929-30.

<table>
<thead>
<tr>
<th></th>
<th>1928-29</th>
<th>1929-30</th>
<th>1928-29</th>
<th>1929-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ra.</td>
<td></td>
<td></td>
<td>Ra.</td>
<td></td>
</tr>
<tr>
<td>To Opening Stock—</td>
<td></td>
<td></td>
<td>Ra.</td>
<td></td>
</tr>
<tr>
<td>6,830 Cattle</td>
<td>5,967</td>
<td>29,500</td>
<td>5,720</td>
<td></td>
</tr>
<tr>
<td>4,628 Sheep</td>
<td>1,347</td>
<td>7,613</td>
<td>11 Costs</td>
<td></td>
</tr>
<tr>
<td>Net Expenditure of the</td>
<td>15,173</td>
<td>23,800</td>
<td>3,434</td>
<td></td>
</tr>
<tr>
<td>Purchase of animals—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21,739 Cattle</td>
<td></td>
<td></td>
<td>2,447</td>
<td></td>
</tr>
<tr>
<td>1,836 Sheep</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6,283 Freight and wages</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of attendants on</td>
<td></td>
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</tr>
<tr>
<td>imported animals</td>
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</tr>
<tr>
<td>3,914 Feed of live-stock</td>
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<tr>
<td>607 Ice, Miscellaneous</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>stores and clothing of</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>staff</td>
<td></td>
<td></td>
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<tr>
<td>1,289 Transfer of cattle</td>
<td></td>
<td></td>
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<tr>
<td>from Dairy and</td>
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<tr>
<td>transported</td>
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<tr>
<td>2,599 Subsistence</td>
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<tr>
<td>allowance to butchers,</td>
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<tr>
<td>attendants, graziers,</td>
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<tr>
<td>etc.</td>
<td></td>
<td></td>
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<tr>
<td>1,326 Share of Executive</td>
<td></td>
<td></td>
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<tr>
<td>Commissariat Officer's</td>
<td></td>
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</tr>
<tr>
<td>pay</td>
<td></td>
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<tr>
<td>1,285 Other expenses</td>
<td></td>
<td></td>
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<tr>
<td>Other charges for which</td>
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<tr>
<td>no debit appears in the</td>
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<tr>
<td>Executive Commissariat</td>
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<tr>
<td>Officer's books—</td>
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<tr>
<td>370 Share of clerical</td>
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</tr>
<tr>
<td>establishment</td>
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<td></td>
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</tr>
<tr>
<td>699 Rent of buildings</td>
<td></td>
<td></td>
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<tr>
<td>391 Interest, depreciation</td>
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</tr>
<tr>
<td>and other charges</td>
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<tr>
<td>42,392</td>
<td></td>
<td></td>
<td>23,700</td>
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</table>

H. K. MALLICK,
Assistant Director of Commercial Audit.

MGIPC—M—75 DCA—16-4-31—450.