



EAST INDIA
ACCOUNTS AND ESTIMATES

1932-1933

EXPLANATORY MEMORANDUM

By the Secretary of State
for India

*Presented by the Secretary of State for India to
Parliament by Command of His Majesty
September 1932*

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MEMORANDUM

BY THE
SECRETARY OF STATE FOR INDIA
RELATING TO THE
ACCOUNTS of the GOVERNMENT OF INDIA (Central Government)
for 1930-31 and the ESTIMATES for 1931-32 and 1932-33.

I.—INTRODUCTION.

SEPARATION OF CENTRAL AND PROVINCIAL FINANCES.

The chief Provincial Governments in India have assigned to them specific revenues of their own, and are responsible for the discharge of those functions of Government which have been classified as "provincial subjects."

The finances of the Central Government and of the several Provincial Governments are thus kept separate and distinct from each other.

With effect from 18th April, 1932, the North-West Frontier Province was made a Governor's Province, and an annual subvention of Rs. 1 crore has been given to the Province to cover the revenue deficit; the figure of Rs. 1 crore is to be operative for the next three years or until the new constitution for India is inaugurated, whichever is earlier. An initial cash balance of Rs. 10 lakhs has also been placed at the disposal of the Province.

The annual volumes of the "Finance and Revenue Accounts of the Government of India," commencing with that for 1921-22, exhibit separately the revenue and expenditure of the Central Government and of each of the Provincial Governments. The Central Government and each Provincial Government issues annually its own budget estimate for the forthcoming year and, in most cases, a revised estimate for the closing year. **This Memorandum, however, deals with the Accounts and Estimates of the Central Government only, except where otherwise stated.**

SEPARATION OF RAILWAY FINANCE FROM GENERAL FINANCE.

In accordance with a Resolution passed in the Legislative Assembly in September, 1924, Railway Finance has been separated from the general finances of Government with effect from the year 1924-25. The Railway revenue account and the contributions of the Railways to the general revenues are shown on pages 11 to 13.

RATES OF EXCHANGE.

In the Accounts for 1930-31 sterling amounts under Revenue and Capital heads are converted into rupees at Rs. 13·4983 per £1, the average of the daily rates for telegraphic transfers in Calcutta on London for that year, sterling amounts under Debt and Remittance heads being converted at Rs. 13½ per £1 (1s. 6d. to the rupee).

In the estimates sterling expenditure is converted into rupees at the following rates :—

Budget, 1931-32	.. ..	1s. 6d. per rupee (Rs. 13½ per £1).
Revised Estimate, 1931-32	.. ..	1s. 5½d. per rupee (Rs. 13·4266 per £1)
Budget, 1932-33	.. ..	1s. 6d. per rupee (Rs. 13½ per £1).

II.—REVENUE, AND EXPENDITURE CHARGED TO REVENUE.

GROSS REVENUE AND EXPENDITURE.

The Gross Revenue and Expenditure of the Government of India for the three years to which this Memorandum refers are as follows :—

Gross Revenue and Expenditure.	Accounts, 1930-31.	Budget, 1931-32.	Revised Estimate, 1931-32.	Budget, 1932-33.
	Rs.	Rs.	Rs.	Rs.
Revenue	1,24,59,55,721	1,34,86,64,000	1,20,76,94,000	1,29,96,29,000
Expenditure	1,36,18,00,695	1,34,85,58,000	1,34,42,78,000	1,27,81,45,000
Surplus (+) or Deficit (-)	-11,58,44,974	+ 1,06,000	- 13,65,84,000	+ 2,14,84,000

In these figures all receipts on revenue account are included in the total of revenue and all outlay in the total of expenditure, with the main exceptions that the working expenses of railways, irrigation works and posts and telegraphs, and the surplus profits paid to certain railway companies, are treated not as expenditure but as a deduction from revenue.

NET REVENUE AND EXPENDITURE.

The figures of Gross Revenue given above include the net receipts of railways and other commercial undertakings without any deduction on account of interest charges, the total receipts from the sale of opium, and the receipts of certain spending departments; while the figures of Gross Expenditure include the interest charges of commercial undertakings, and the cost of cultivation and manufacture of opium. This method of compilation may cause the revenue available for administrative purposes and the expenditure on such purposes to appear greater than they really are. A statement of the net revenue and expenditure of the Central Government for the three years under review is therefore given in the table below, which shows the *net* revenue derived from commercial undertakings, after deducting all expenditure including interest charges, and *net* figures under other heads of revenue and expenditure obtained by deducting (1) the cost of cultivation and manufacture of opium from sale receipts, and (2) the receipts of the spending departments from the gross expenditure incurred by them. The cost of the establishments maintained for the collection of revenue other than opium is not shown as a deduction from revenue, but as a separate head of expenditure.

Net Revenue.

	Accounts, 1930-31.		Budget Estimate, 1931-32.		Revised Estimate, 1931-32.		Budget Estimate, 1932-33.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
I. Principal Heads of Revenue :—								
1. Customs ..	46,80,76,245		56,45,97,000		46,22,55,000		52,31,27,000	
2. Taxes on Income ..	16,00,33,362		17,44,54,000		17,30,49,000		18,73,38,000	
3. Salt ..	6,83,22,449		7,05,00,000		8,48,03,000		9,43,40,000	
4. Opium ..	1,78,90,977		1,41,95,000		1,17,07,000		61,01,000	
5. Other Heads..	2,03,22,337		2,21,46,000		2,15,08,000		1,79,39,000	
		73,46,45,370		84,58,92,000		75,33,22,000		82,88,45,000
II. Commercial Undertakings :—								
1. Railways ..	5,73,57,332		5,36,02,000		—		—	
2. Irrigation ..	—30,73,383		—8,35,000		—12,22,000		—2,46,000	
3. Posts and Telegraphs ..	—1,55,36,734		—91,70,000		—80,73,000		—22,26,000	
		3,87,47,215		4,35,97,000		—92,95,000		—24,72,000
III. Currency and Mint								
1. Currency ..	72,21,572		8,20,000		1,31,01,000		2,80,57,000	
2. Mint ..	—44,87,082		—23,57,000		—49,77,000		—19,42,000	
		27,34,490		—15,37,000		81,24,000		2,61,15,000
IV. Miscellaneous Civil Receipts ..		40,16,516		23,74,000		1,11,42,000		24,25,000
V. Extraordinary Items ..		83,57,959		30,19,000		5,48,000		1,81,000
Total Net Revenue ..		78,85,01,550		89,33,45,000		76,38,41,000		85,50,94,000

Net Expenditure.

(1240)

—	Accounts, 1930-31.		Budget Estimate, 1931-32.		Revised Estimate, 1931-32.		Budget Estimate, 1932-33.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
I. <i>Debt Services</i> ..		14,03,70,403		15,85,41,000		17,77,91,000		18,12,23,000
II. <i>Military Services</i> :—								
1. <i>Army</i> ..	48,86,94,035		47,60,38,000		46,58,18,000		43,60,91,000	
2. <i>Marine</i> ..	68,42,405		69,40,000		69,83,000		65,03,000	
3. <i>Military Engineer Services</i>	4,50,48,241		3,98,98,000		4,29,01,000		2,85,97,000	
4. <i>Transfers to or from Military Reserve Fund</i>	24,15,319		— 28,76,000		18,98,000		— 37,91,000	
		54,30,00,000		52,00,00,000		51,76,00,000		46,74,00,000
III. <i>Collection of Revenue</i>		3,58,73,826		3,66,71,000		3,39,38,000		3,45,02,000
IV. <i>Civil Administration</i>		12,36,93,232		12,02,91,000		11,37,31,000		8,74,82,000
V. <i>Miscellaneous Civil Charges</i> ..		3,74,59,774		3,58,77,000		3,73,15,000		3,57,47,000
VI. <i>Civil Works</i> ..		2,35,47,240		2,16,43,000		1,99,28,000		1,67,40,000
VII. <i>Forest and other Capital Outlay charged to Revenue</i> ..		4,02,049		2,16,000		1,22,000		3,16,000
VIII. <i>Miscellaneous Adjustments with Provincial Governments</i>		—		—		—		1,02,00,000
Total Net Expenditure charged against Revenue		90,43,46,524		89,32,39,000		90,04,25,000		83,36,10,000
Surplus (+) or Deficit (—)		— 11,58,44,974		+ 1,06,000		— 13,65,84,000		+ 2,14,84,000

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ACCOUNTS, 1930-31.

The Accounts for 1930-31 show a deficit of Rs. 11·58 crores, as compared with a deficit of Rs. 12·68 crores in the Revised Estimate for the same year. The principal variations are noted in the Financial Secretary's memorandum in the Indian Budget Volume (H.C. 104 of 1932).

REVISED ESTIMATE, 1931-32.

The Revised Estimate for 1931-32 anticipated a deficit of Rs. 13·66 crores. The original Budget provided for a nominal surplus of Rs. 1 lakh. The continuance of the world-wide depression necessitated a review of the position in September, 1931, when, in the light of estimates covering the ensuing eighteen months to March, 1933, a Supplementary Budget was introduced, and Government (a) reduced expenditure by economies and retrenchment; (b) made emergency cuts in salaries of Government servants; and (c) increased taxation. The rates of income-tax and super-tax were increased by 12½ per cent. in that year and by 25 per cent. for 1932-33, and incomes between Rs. 1,000 and Rs. 1,999 became liable to income-tax. The import duties were increased on brown sugar, boots and shoes, artificial silk yarn, thread and piece goods, camphor and electric bulbs, and a surcharge of 25 per cent. was imposed on all import duties—other than on new duties on raw cotton, machinery, dyes—and on all excise duties including salt. The rates of postage on letters and postcards were also increased. The Finance (Supplementary and Extending) Bill, which provided for this taxation, was not passed by the Legislative Assembly after being recommended by the Governor-General. After being passed, however, by the Council of State, it was certified by the Governor-General under Section 67B of the Government of India Act (*vide* Parliamentary Paper H.C. 13 of 1932), and became an Act on the 28th November, 1931.

The Supplementary Budget estimated a deficit of Rs. 10·17 crores in 1931-32 and a surplus of Rs. 5·23 crores in 1932-33, it being considered justifiable, during a period of exceptional depression, to regard the combined deficit for the two years of Rs. 494 lakhs as covered by estimating for a reduction of about Rs. 247 lakhs in each year from the provision for the Reduction or Avoidance of Debt.

The Revised Estimate for 1931-32 shows a deficit of Rs. 13,66 lakhs as compared with the September figure of Rs. 10,17 lakhs.

The variations in *net* revenue and expenditure in the Revised Estimate of 1931-32 from the original Budget of that year are as follows.

Net Revenue.

<i>Increases.</i>		<i>Rs.</i>	<i>Decreases.</i>		<i>Rs.</i>
Salt .. ..	..	1,43,03,000	Customs .. ..	..	10,23,42,000
Currency .. ..	..	1,22,81,000	Railways .. ..	..	5,36,02,000
Miscellaneous Civil			Mint .. ..	..	26,20,000
Receipts .. ..	..	87,68,000	Opium .. ..	..	24,88,000
Posts and Telegraphs		10,97,000	Extraordinary items		24,71,000
			Taxes on Income ..	..	14,05,000
			Irrigation .. ..	..	3,87,000
			Other heads .. ..	..	6,38,000
Total .. ..	..	<u>3,64,49,000</u>	Total .. ..	..	<u>16,59,53,000</u>

Net decrease, Rs. 12,95,04,000.

Net Expenditure.

<i>Increases.</i>		<i>Rs.</i>	<i>Decreases.</i>		<i>Rs.</i>
Debt Services ..	..	1,92,50,000	Civil Administration		65,60,000
Miscellaneous Civil			Collection of Revenue		27,33,000
Charges .. ..	..	14,38,000	Military Services ..	..	24,00,000
			Civil Works .. ..	..	17,15,000
			Forest and other		
			Capital outlay		
			charged to Revenue		94,000
Total .. ..	..	<u>2,06,88,000</u>	Total .. ..	..	<u>1,35,02,000</u>

Net increase, Rs. 71,86,000.

Further details are given in the Indian Budget Volume (H.C. 104 of 1932).

BUDGET, 1932-33.

The Budget Estimates for 1932-33 show a surplus of Rs. 2,15 lakhs, and compares with the September forecast as follows:—

		September forecast, 1932-33.	Budget, 1932-33.
		Rs. lakhs.	Rs. lakhs.
Gross Revenue .. ..	..	133,06	129,96
„ Expenditure .. ..	..	127,83	127,81
Surplus .. ..	..	<u>5,23</u>	<u>2,15</u>

The reduction in the anticipated surplus is due mainly to the estimated customs revenue being much lower.

No further changes in taxation were made in 1932-33, and no Finance Bill was necessary; the salt duty, postage rates, and income-tax and super-tax rates for the year 1932-33 having been fixed in the Indian Finance (Supplementary and Extending) Act, 1931. This Act also provided for the continued credit to revenue during 1932-33 of the interest on securities in the Paper Currency Reserve and the surplus in the Gold Standard Reserve over ₹40 millions.

The Legislative Assembly, in the course of voting demands, made two token cuts of Rs. 100 each in the Demand in respect of the Executive Council.

The variations in *net* revenue and expenditure in the Budget for 1932-33 from the Revised Estimate figures for 1931-32 are as follows :—

<i>Net Revenue.</i>			
<i>Increases.</i>	<i>Rs.</i>	<i>Decreases.</i>	<i>Rs.</i>
Customs	6,08,72,000	Miscellaneous Civil	
Currency	1,49,56,000	Receipts	87,17,000
Taxes on Income ..	1,42,89,000	Opium	56,06,000
Salt	95,37,000	Extraordinary Items	3,67,000
Posts and Telegraphs	58,47,000	Other heads	35,69,000
Mint	30,35,000		
Irrigation	9,76,000		
Total	<u>10,95,12,000</u>	Total	<u>1,82,59,000</u>

Net increase, Rs. 9,12,53,000.

<i>Net Expenditure.</i>			
<i>Increases.</i>	<i>Rs.</i>	<i>Decreases.</i>	<i>Rs.</i>
Debt Services ..	34,32,000	Military Services ..	5,02,00,000
Collection of Revenue	5,64,000	Civil Administration	2,62,49,000
Forest and other		Civil Works	31,88,000
Capital Outlay		Miscellaneous Civil	
charged to Revenue	1,94,000	Charges	15,68,000
Miscellaneous adjust- ments with Pro- vincial Governments	1,02,00,000		
Total	<u>1,43,90,000</u>	Total	<u>8,12,05,000</u>

Net decrease, Rs. 6,68,15,000.

Further details are given in the Finance Member's speech and the Financial Secretary's memorandum in the Indian Budget Volume (H. C. 104 of 1932).

III.—RAILWAYS.

In accordance with the resolution passed by the Legislative Assembly in September, 1924, railway finance was separated from the general finances of the Government of India with effect from 1924-25. After deducting all working expenses, including interest charges of commercial lines, the railways have now to make a contribution to general revenues equal to 1 per cent. on the capital at charge of the commercial lines in the penultimate year *plus* one-fifth of surplus profits in such penultimate year and one-third of the amount remaining available for transfer to Railway reserves in excess of Rs. 3 crores, but from the amount of these contributions are deducted the interest on capital and loss in working of strategic lines.

The Railway Revenue and Expenditure figures for 1930-31 to 1932-33 are given in the following table.

	Accounts, 1930-31.	Budget Estimate, 1931-32.	Revised Estimate, 1931-32.	Budget Estimate, 1932-33.
REVENUE.				
State Railways—	Rs.	Rs.	Rs.	Rs.
(1) Commercial Lines :—				
Gross Receipts	93,62,16,665	99,50,00,000	85,43,00,000	87,65,00,000
Deduct :—				
Working Expenses	65,26,88,867	64,40,00,000	60,91,00,000	60,81,00,000
Surplus Profits paid to Indian States and Railway Com- panies	1,16,29,532	75,00,000	82,75,000	80,00,000
Net Receipts	27,18,98,276	34,35,00,000	23,69,25,000	26,04,00,000
(2) Strategic Lines :—				
Gross Receipts	1,47,60,130	1,50,10,000	1,32,10,000	1,35,10,000
Deduct :—				
Working Expenses and Re- funds of Revenue	2,18,68,510	2,03,10,000	1,92,10,000	1,89,10,000
Net Receipts	-71,08,380	-53,00,000	-60,00,000	-54,00,000
Total Net Receipts—Commercial and Strategic Lines	26,47,89,896	33,82,00,000	23,09,25,000	25,50,00,000
Subsidized Companies : Government Share of Surplus Profits	20,36,173	18,00,000	19,00,000	18,00,000
Interest on Depreciation and Reserve Funds	1,82,18,155	1,24,35,000	95,68,000	85,15,000
Other receipts	20,91,701	16,00,000	15,50,000	6,50,000
Transferred from Railway Reserve Fund	10,92,35,160	4,13,67,000	4,95,06,000	—
Loan from Railway Depreciation Fund	—	—	4,52,02,000	7,58,79,000
Total Revenue ..	39,13,71,085	39,54,02,000	33,86,51,000	34,18,44,000
EXPENDITURE.				
Interest Charges :—				
(1) Commercial Lines	81,24,64,120	32,08,68,000	31,80,17,000	32,23,07,000
(2) Strategic Lines	1,46,91,014	1,48,52,000	1,47,92,000	1,48,57,000
Total Interest Charges ..	32,71,55,134	33,57,20,000	33,28,09,000	33,71,64,000
Other Expenditure	68,58,619	60,80,000	58,42,000	46,80,000
Total Expenditure ..	33,40,13,753	34,18,00,000	33,86,51,000	34,18,44,000
Total Payment from Railways to General Revenues	5,73,57,332	5,36,02,000	—	—
Comprising :—				
Contribution	5,73,57,332	5,36,02,000	—	—
One-third of Excess of Railway Surplus over three crores ..	—	—	—	—

The net payments due from the Railways to general revenues of the Central Government in 1930-31, 1931-32, and 1932-33, calculated in the manner explained above, are as follows :—

	Accounts, 1930-31.	Revised Estimate, 1931-32.	Budget Estimate, 1932-33.
	Rs.	Rs.	Rs.
1 per cent. on Capital at charge, commercial lines	6,93,73,407	7,23,54,278	7,35,94,899
One-fifth of surplus profit	51,84,074	—	—
	7,45,57,481	7,23,54,278	7,35,94,899
<i>Deduct Interest on capital and loss in working of strategic lines</i>	<i>1,72,00,149</i>	<i>1,87,51,860</i>	<i>2,13,36,606</i>
Contribution	5,73,57,332	5,36,02,418	5,22,58,293
One-third of excess of railway surplus over 3 crores ..	—	—	—
Total payment due to general revenues ..	5,73,57,332	5,36,02,418	5,22,58,293

Owing to the continuance of the economic depression there has been a serious fall in railway earnings, and it was not practicable to provide in the Estimates for any contribution from the Railways to general revenues in 1931-32 or 1932-33.

The losses on Commercial lines are: 1930-31, Accounts, Rs. 3·06 lakhs; 1931-32, Revised Estimate, Rs. 7·44 lakhs; and 1932-33, Budget, Rs. 5·60 lakhs.

As mentioned above, it has been impossible to provide for payment of any contribution to General Revenues in 1931-32 or in 1932-33. In order to pay the full interest charges it has been necessary in 1931-32 to withdraw the whole available amount standing in the Railway Reserve Fund and to take a temporary loan from the Railway Depreciation Fund of Rs. 4·52 lakhs. For 1932-33, there being no free balance in the Reserve Fund, the Railway Budget has had to be balanced by a further loan from the Railway Depreciation Fund of about Rs. 7·59 lakhs.

The Budget Estimate assumes that the volume of traffic in 1932-33 will be about the same as in 1931-32, but provides for an extra Rs. 1 crore in the gross traffic receipts to allow for the full effect of the enhancement of rates and fares, including the surcharge on coal freights, the balance of the apparent increase shown by the comparative figures on page 11, being due merely to an altered method of accounting adopted in the later year. It is also anticipated that working expenses will actually be lower by Rs. 1½ crores, mainly as a result of the emergency deductions

in pay, the merely nominal decrease shown by the comparative figures on page 11, being due to an altered method of accounting adopted in the later year.

The Railway Depreciation Fund is estimated to have a closing balance on 31st March, 1933, of Rs. 15·09 lakhs.

Particulars of the capital expenditure on Railways are given in chapter V (*vide* page 17).

IV.—TAXATION PER HEAD IN BRITISH INDIA.

Total Tax Revenue.	Accounts, 1930-31.	Budget Estimate, 1931-32.	Budget Estimate, 1932-33.
	Lakhs of Rs.	Lakhs of Rs.	Lakhs of Rs.
Customs	46,64·28	56,29·33	52,05·63
Taxes on Income	16,30·97	17,70·94	18,91·70
Salt	6,44·10	6,67·51	9,18·21
Excise	16,49·42	16,94·20	14,09·08
Stamps	12,60·56	13,04·89	12,42·53
Registration	1,16·09	1,29·27	1,09·76
Scheduled Taxes	32·45	44·39	46·22
Total (excluding Land Revenue) ..	99,97·87	1,12,40·53	108,23·13
Land Revenue	30,03·20	36,19·79	32,77·65
Total (including Land Revenue) ..	1,30,01·07	1,48,60·32	1,41,00·78
The taxation per head on the assumption that the whole is paid by the inhabitants of British India, is :—	Rs.	Rs.	Rs.
(i) exclusive of Land Revenue..	3·68	4·10	3·90
(ii) inclusive of Land Revenue..	4·78	5·41	5·09

The above figures include both Central and Provincial revenue.

For the purpose of calculating the taxation per head, the figures of population have been based on the Census of 1931 (271,749,312), an annual increase of population at the rate of one per cent. being assumed.

V.—PUBLIC DEBT AND CAPITAL EXPENDITURE.

DEBT TRANSACTIONS.

1931-32.

Indian Treasury Bills of 3 and sometimes 6 and 9 months' currency were sold in India during the year. The amount outstanding with the public on 31st March, 1931, was Rs. 55·38 crores and on 31st March, 1932, Rs. 47·54 crores. In addition,

Rs. 49·67 crores were held in the Paper Currency Reserve on 31st March, 1932, as against Rs. 5·89 crores held on 31st March, 1931.

On the 19th May, 1931, £10,000,000 India 6 per cent. bonds, repayable at par in 1933-34, were issued in London at par, to provide funds for capital expenditure on railways in India and for general purposes. About 62 per cent. of the loan was taken by the Underwriters.

The £4,047,000 India Bills were repaid in April to June, 1931.

India 6½ per cent. Treasury Bonds, 1935, were issued in India from 15th Sept. until 12th Dec., 1931. Subscriptions were admissible in the form of cash (including Indian Treasury Bills on maturity) and Indian 6 per cent. Bonds 1931. The price of issue was at par for the first week increasing by 2 annas per cent. weekly to cover the accrued interest. The subscriptions were:—

	Rs. lakhs.
Cash	14,91
1931 Bonds ..	2,04
	<hr/>
Total	16,95
	<hr/>

On the 15th January, 1932, the outstanding balance of £11,213,428 5½ per cent. Stock, then due, was paid off.

The net increase in the Permanent Debt in India for the year was estimated at Rs. 5½ crores, about Rs. 17 crores new debt having been raised and about Rs. 11½ crores of 1931 Bonds and other loans having been discharged by repayment or conversion. The floating debt in India was estimated to be increased by Rs. 43·4 crores owing to the increased holding of Treasury Bills in the Paper Currency Reserve.

Unfunded debt in India was estimated to be increased by Rs. 9¼ crores, including Savings Bank Deposits, Rs. 3¼ crores (net), and Post Office Cash Certificates, Rs. 6 crores (net).

Permanent Debt in England was reduced by approximately £3¼ millions (net), resulting from the discharge of nearly £15 millions of 5½ per cent. Stock, 1932, the part repayment of £1·6 millions of the capital portion of the Railway Annuities, and the redemption of £200,025 of debt by the operation of the State Railways Sinking Funds; partly set off by the issue of £10 millions 6 per cent. Bonds, 1933-34, and the last instalment due in April, 1931, from the issue of £12 millions 5½ per cent. Stock, 1936-38, in the previous February. The sterling Floating Debt, consisting of £4·05 millions India Bills, was discharged.

1932-1933.

The Budget provided for a capital outlay of Rs. 5·65 crores, including Rs. 4·15 crores on the construction of State Railways; Rs. 23 lakhs on Posts and Telegraphs; Rs. 55½ lakhs on Vizagapatam Port; Rs. 46½ lakhs in respect of the commuted value of pensions; and Rs. 25 lakhs for payments to retrenched personnel; for the discharge in India of Permanent Debt amounting to Rs. 16½ crores and in England of :—

£1,653,000 for part capital redemption of the railway annuities created in purchase of railways;

£6,000,000 for the discharge of 6 per cent. Bonds, 1932-33; and

£200,025 for the statutory sinking funds established in connection with the purchase of the East Indian, Eastern Bengal, and the Scinde Punjab and Delhi Railways.

The Budget also contemplated the issue of a Rupee loan of Rs. 14½ crores, to provide for the repayment of maturing of 6 per cent. bonds, 1932. It also assumed net receipts of Rs. 5 crores from sales of Post Office Cash Certificates and of Rs. 6·55 crores from Savings Bank deposits.

The sale of Indian Treasury Bills was continued in the form of 3 and 6 months maturities. On the 1st July, 1932, the Bills outstanding with the public amounted to Rs. 44·7 crores.

On the 27th April, 1932, £10,000,000 India 5 per cent. stock, repayable at par in 1942-47, was issued in London at par, to provide funds for repayment of £6,000,000 Bonds falling due in June, 1932, for capital expenditure on railways in India, and for general purposes. The loan was over-subscribed.

The first Rupee Loan of 1932 was open to subscription from the 6th to the 18th June, inclusive. It was a 5½ per cent. Loan, repayable at par in 1938-40, without limit of amount, issued at Rs. 98 per cent. Subscriptions were accepted in cash, Indian Treasury Bills, and 6 per cent. Bonds, 1932.

The subscriptions were as follows :—

	Rs. lakhs.
Cash	13,70
Treasury Bills	1,81
1932 Bonds	3,72
	<hr/>
Total	19,23
	<hr/>

On 15th June, 1932, the outstanding balance of £3,604,600 India 6 per cent. Bonds, 1932-33, was repaid.

A second Rupee Loan was opened for subscription on 17th August, 1932. It took the form of a 5 per cent. Loan, repayable at par in 1940-43, limited to approximately Rs. 25 crores and issued at Rs. 98 per cent. Subscriptions were admissible in cash; 5 per cent. Bonds, 1933, and in 6 per cent. Bonds, 1933-36. The loan was closed on the opening day, the full amount having been subscribed.

PUBLIC DEBT OUTSTANDING.

The amount of the permanent and floating public debt of the Government of India (Central Government) outstanding is given in the following table. The figures include debt incurred on behalf of Provincial Governments, the debenture stocks of various railways taken over by the Secretary of State on the transfer of the lines, and the capital value of liabilities undergoing redemption by way of terminable railway annuities.

	In India‡	In England*
	Rs.	£
31st March, 1931.. .. .	4,78,50,98,335	387,899,874
31st March, 1932.. .. .	5,29,38,40,328	379,035,131
31st March, 1933 (Estimate)	5,19,88,86,328	377,479,256

‡ Excludes Post Office Cash Certificates.

* Includes liability for British Government 5 per cent. War Loan, 1929-47, taken over by India.

A statement of the interest-bearing obligations (including the public debt) of the Government of India is given on pages 18 and 19.

PROVISION FOR REDUCTION OR AVOIDANCE OF DEBT.

With effect from 1925-26, a scheme was introduced, for five years, to stabilise the annual provision from revenue for the reduction or avoidance of debt at Rs. 4 crores *plus* a sum representing one-eightieth of the net amount of new debt contracted (up to the end of the previous year) since 31st March, 1923, the sterling portion of this additional debt being converted into rupees at Rs. 15 per £1 for this purpose. It has been decided that, pending further consideration of the scheme along with the Railway Convention, the provision from the year 1930-31 onwards should be made on the same lines, except that sterling debt should be converted into rupees at the statutory rate of Rs. 13½ per £ instead of at Rs. 15 per £1. In the Budget for 1932-33 the amount so provided was Rs. 6·82 crores. Prior to 1930-31 the amounts under this head were increased by the Reparation receipts as provided in section 7 of the Indian Finance Act, 1926. These provisions have, however, been repealed so that no addition has been made on this account with effect from 1930-31.

RAILWAYS.

The capital expenditure on railways shown in the Accounts for 1930-31 and in the Estimates for 1931-32 and 1932-33, is as follows :—

	Accounts, 1930-31.	Revised Estimate, 1931-32.	Budget, 1932-33.
	Rs.	Rs.	Rs.
Outlay on lines worked by the State and by guaranteed companies :—			
(1) From funds provided by the State ..	13,20,87,259	8,35,00,000	4,15,00,000
(2) From funds raised through companies or provided from other sources ..	—	—	—
	13,20,87,259*	8,35,00,000*	4,15,00,000

* The figures in the above table have been arrived at after allowing for adjustment in respect of exchange.

In addition to the above figures, capital expenditure is incurred on branch lines from funds deposited by Branch line Companies or advanced by the Government.

The following table shows the capital outlay on all State lines up to the end of the year and the net return obtained:—

	Accounts, 1930-31.	Revised Estimate, 1931-32.	Budget, 1932-33.
	Rs.	Rs.	Rs.
Capital at charge at end of each year (Central Government)	7,83,17,75,811	7,91,52,75,811	7,95,67,75,811
Working profit from railways excluding interest charges ..	27,52,77,306	23,81,01,000	26,12,85,000
Percentage of same to capital at charge ..	3·51%	3·01%	3·28%
Final working profit or loss after meeting interest charges ..	Rs. 5,18,77,828	Rs. 9,47,08,000	Rs. 7,58,79,000
Percentage of same to capital at charge ..	0·66%	1·20%	0·95%

POSTS AND TELEGRAPHS.

Capital outlay not charged to Revenue was estimated at Rs. 23 lakhs for 1932-33 as compared with Rs. 29½ lakhs for 1931-32 (Revised Estimate) and Rs. 54½ lakhs in 1930-31.

EXPENDITURE ON THE NEW CAPITAL AT DELHI.

The capital expenditure incurred, or estimated to be incurred, in 1930-31 and 1931-32, on permanent works at Delhi, is as follows :—

	Rs.
1930-31 (Accounts)	48,26,555
1931-32 (Revised Estimate)	12,22,000

The total actual capital expenditure incurred up to 31st March, 1931, was Rs. 14,63,89,560.

The new Delhi Capital Account has now been closed and any further expenditure or receipts will be included in the Revenue Account under the Head "Civil Works."

OTHER CAPITAL EXPENDITURE.

Provision has also been made for the following items of expenditure of the Central Government charged outside the Revenue account :—

	Accounts, 1930-31.	Revised Estimate, 1931-32.	Budget, 1932-33.
	Rs.	Rs.	Rs.
Construction of Irrigation works	27,553	15,000	—
Capital Outlay on Vizagapatam Port	38,73,238	37,52,000	55,55,000
Payment of commuted value of pensions	42,65,721	38,26,000	46,55,000
Capital outlay on Security Printing	4,01,689	-3,94,000	4,000
Capital Outlay on Currency Note Printing Press	1,35,474	1,000	4,000
Capital Outlay on Bombay Land Scheme ..	2,10,37,335	—	—
Payments to retrenched personnel	—	10,00,000	25,00,000

The debits to the Capital head of account "Payments to retrenched personnel" are gratuity payments, and are to be written back to revenue by five equal annual instalments commencing in 1933-34.

INTEREST-BEARING OBLIGATIONS OF THE GOVERNMENT OF INDIA.

The following table exhibits the interest-bearing obligations of the Government of India and shows also the portion of Indian Debt incurred on behalf of Government Commercial undertakings and of the Provincial Governments.

Statement showing the interest-bearing obligations and certain interest-bearing assets of the Government of India, at the close of each financial year.

	31st March, 1928.	31st March, 1929.	31st March, 1930.	31st March, 1931.	31st March, 1932. (Estimate.)
<i>In India :</i>	(In crores of rupees.)				
Loans (a)	372.25	390.73	405.11	417.24	422.70
Treasury Bills in the hands of the public	7.59	4.00	36.04	55.38	55.38
Treasury Bills in the Paper Currency Reserve	31.94	39.15	29.22	5.89	49.28
Other Obligations :—					
Post Office Savings Banks ..	32.67	34.49	37.13	37.03	38.22
Cash Certificates	30.70	32.30	35.00	38.43	44.43
Provident Funds, etc.	55.82	60.52	65.41	70.33	72.86
Depreciation and Reserve Funds ..	25.48	31.09	30.18	21.39	17.51
Provincial Balances (b)	10.48	10.43	10.21	6.09	3.82
Total Loans, etc.	411.78	433.88	470.37	478.51	527.36
Total Other Obligations	155.15	168.83	177.93	173.27	176.84
Total in India	566.93	602.71	648.30	651.78	704.20
<i>In England :</i>	(In millions of £.)				
Loans (a)	272.32	283.31	289.03	316.81	314.64
War Contribution	17.28	16.72	16.72	16.72	16.72
Capital value of liabilities undergoing redemption by way of terminable railway annuities ..	54.79	53.35	51.86	50.32	48.72
India Bills	—	—	6.00	4.05	—
Provident Funds, etc.	1.19	1.43	2.54	1.69	1.81
Total in England	344.58	353.81	366.15	388.59	380.89
Equivalent at 1s. 6d. to the Rupee ..	(In crores of rupees.)				
	459.44	471.75	488.20	518.12	507.85
Total Interest-bearing obligations ..	10,26.37	10,74.46	11,36.50	11,69.90	12,12.05
Interest-yielding assets :					
(i) Capital advanced to Railways	668.60	700.69	730.79	743.98	752.33
(ii) Capital advanced to other Commercial Departments ..	20.73	21.81	22.70	23.65	25.48
(iii) Capital advanced to Provinces	126.34	137.52	142.60	151.82	164.96
(iv) Capital advanced to Indian States and other interest-bearing loans	13.91	15.49	17.65	19.45	20.43
Total Interest-yielding assets	829.58	875.51	913.74	938.90	963.20
Cash, bullion, and securities held on Treasury account	24.28	28.34	45.36	34.03	33.37
Balance of total interest-bearing obligations not covered by above assets	172.53	170.61	177.40	196.97	215.48

(a) These figures represent the nominal amounts of loans outstanding and also include comparatively small amounts of expired loans which do not bear interest.

(b) The figures represent those portions of provincial balances which bear interest.

In addition to the cash, bullion and securities held on Treasury account, the Central Government held on 31st March, 1932, £40,000,000 in the Gold Standard Reserve.

VI.—GENERAL STATEMENT OF THE RECEIPTS AND DISBURSEMENTS AND BALANCES OF THE GOVERNMENT OF INDIA, IN INDIA AND IN ENGLAND.

The following table shows the opening balances, receipts, disbursements and closing balances, estimated or actual, of the Government of India in 1930-31, 1931-32, and 1932-33.

	Accounts, 1930-31.	Budget, 1931-32.	Revised Estimate, 1931-32.	Budget, 1932-33.
	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>
Opening Balance, India	25,78,33,677	12,74,69,677	17,28,23,746	10,18,90,746
Opening Balance, England	(a) 8,51,57,683	(a) 6,46,96,683	(b) 7,40,43,787	(b) 14,71,59,787
Total Opening Balance	34,27,91,360	19,21,66,360	24,68,67,533	24,90,50,533
RECEIPTS—				
Revenue Surplus	—	1,06,000	—	2,14,84,000
Capital Contributions by Railway Companies and Indian States towards construction of State Railways	—	—	—	—
Permanent Debt (net incurred)	46,97,53,501	10,21,62,000	1,20,70,000	—
Floating Debt (net incurred)	—	—	37,99,70,000	49,20,000
Unfunded Debt (net incurred)	5,78,41,378	9,69,72,000	9,87,94,000	11,71,03,000
Deposits and Advances (net)	—	7,44,43,000	—	6,73,02,000
Railway Depreciation and Reserve Funds (net)	—	1,04,33,000	—	51,21,000
Remittances (net)	6,15,123	6,47,000	3,29,000	—
Balances of Provincial Governments (net)	—	—	—	1,02,68,000
Total Receipts	52,82,10,002	28,47,63,000	49,11,63,000	22,66,35,000
Total	87,10,01,362	47,69,29,360	73,80,30,533	47,56,85,533
DISBURSEMENTS—	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>
Revenue Deficit	11,58,44,974	—	13,65,84,000	—
Capital Outlay on Security Printing Press	4,01,689	—3,94,000	—3,94,000	4,000
Construction of State Railways	13,20,87,259	11,45,00,000	8,35,00,000	4,15,00,000
Capital Outlay on Posts and Telegraphs	—3,67,995	91,30,000	87,63,000	23,15,000
Construction of Irrigation Works	27,553	67,000	15,000	—
Capital outlay on Vizagapatam Port	38,73,238	43,18,000	37,52,000	55,55,000
Payment of Commuted Value of Pensions	42,65,721	37,38,000	38,26,000	46,55,000
Initial Expenditure on new Capital at Delhi	48,26,555	24,72,000	12,22,000	—
Capital Outlay on Bombay Land Scheme	2,10,37,335	—	—	—
Currency Capital Outlay	1,35,474	5,000	1,000	4,000
Capital Outlay on Lighthouses and Lightships	—12,821	—	—2,000	—
Payments to Retrenched Personnel	—	—	10,00,000	25,00,000
Permanent Debt (net discharged)	—	—	—	12,06,19,000
Floating Debt (net Discharged)	6,59,35,548	5,39,60,000	—	—
Deposits and Advances (net)	31,32,745	—	4,39,45,000	—
Railway Depreciation and Reserve Funds (net)	9,24,82,222	—	4,29,08,000	—
Loans and Advances by Central Government (net Advances)	10,97,01,781	7,49,71,000	14,09,60,000	11,90,96,000
Balances of Provincial Governments (net)	7,07,62,551	3,21,00,000	2,29,00,000	—
Total Disbursements	62,41,33,829	29,48,67,000	48,89,80,000	29,62,48,000
Closing Balance	24,68,67,533	18,20,62,360	24,90,50,533	17,94,37,533
Total	87,10,01,362	47,69,29,360	73,80,30,533	47,56,85,533
DISTRIBUTION OF CLOSING BALANCE—				
Closing Balance, India	17,28,23,746	12,03,84,677	10,18,90,746	11,36,83,746
Closing Balance, England	(b) 7,40,43,787	(a) 6,16,77,683	(b) 14,71,59,787	(b) 6,57,53,787

(a) Of this amount, £3,748 represents the cash portion of the Gold Standard Reserve.
 (b) Of this amount, £1,085 represents the cash portion of the Gold Standard Reserve.

VII.—HOME CHARGES.

The following is an analysis of the Net Expenditure in England charged on the Revenue of the year :—

Net Expenditure.	Accounts, 1930-31.	Revised Estimate, 1931-32.	Budget, 1932-33.
Direct demands on the Revenues :—	£	£	£
Stores for India	2,629	1,725	525
Leave Allowances and Miscellaneous	54,187	51,750	42,825
Railway Revenue Account :—			
Interest	9,581,233	9,578,775	9,635,850
Government share of Surplus profits	25,838	6,600	4,275
Leave Allowances and Miscellaneous	530,464	504,525	488,025
Irrigation Revenue Account :—			
Leave Allowances	6,581	3,900	3,300
Posts and Telegraphs :—			
Indian Postal and Telegraph Department :			
Leave Allowances and Miscellaneous	57,050	73,500	65,250
Indo-European Telegraph Department	79,178	—	—
Debt Services :—			
Interest on Ordinary Debt (less interest realised from invest- ment of Cash Balance)	4,557,716	6,031,650	5,765,625
Interest, Discount, etc., on Gold Standard Reserve credited to Revenue	1,600,000	627,000	450,000
Liability assumed in respect of British 5 per cent. War Loan, 1929-47 : Interest	836,050	418,050	418,050
Management of Debt	608,190	270,000	106,275
Interest on Other Obligations	67,748	37,275	43,125
Civil Administration :—			
Home Administration :—			
India Office: Salaries and Contingencies	226,881	215,925	215,175
High Commissioner's Office: Salaries and Contingencies	206,712	206,550	195,600
Expenditure in connection with new offices	31,596	2,100	—
Audit Office: Salaries	16,804	16,350	16,425
Contribution by His Majesty's Treasury in respect of the Ad- ministrative Expenses of India Office	114,504	105,525	103,725
Payments on account of Departments in India :—			
Stores for India	36,057	56,700	22,125
Leave Allowances and Miscellaneous	443,786	437,550	378,900
Currency and Mint :—			
Interest on Paper Currency Reserve Investments	11,670	—	—
Stores for India	7,833	6,525	2,325
Leave Allowances and Miscellaneous	4,121	3,825	5,025
Civil Works :—			
Leave Allowances and Miscellaneous	5,272	5,925	12,075
Miscellaneous :—			
Territorial and Political Pensions	8,456	8,025	8,025
Civil Superannuation Allowances and Pensions (including Home establishment Pensions)	1,400,496	1,842,200	1,816,475
Contribution to the Secretariat of the League of Nations	60,784	67,725	94,350
Other Miscellaneous Charges	12,844	42,075	12,075
Stationery and Printing :—			
Stores for India	29,452	36,900	25,800
Expenditure at the India Office and the High Commissioner's Office, Leave Allowances, etc.	15,486	9,900	12,225
Military Services (Army, Marine and Air Force) :—			
Home Charges of British Forces serving in India	1,510,000	1,511,025	1,511,025
Sea Transport Charges (less receipt of £130,000 from the War Office)	402,310	405,750	453,750
Unemployment Insurance	94,846	137,550	96,750
National Health Insurance	40,183	40,875	40,800
Aden Contribution	150,000	136,500	136,500
Contributions under Contributory Pensions Act, 1925	120,549	122,550	122,400
Contribution to the expenses of His Majesty's Ships in Indian Seas	101,033	101,400	101,100
Furlough Pay and Miscellaneous	1,070,969	938,325	1,022,625
Stores	2,279,640	1,226,550	612,225
Marriage Allowances and Allotments	451,751	426,300	426,300
Retired Pay of British Forces for Service in India	1,181,471	1,156,500	1,120,725
Retired Pay : Indian Services	1,511,159	1,580,025	1,747,050
Family and Miscellaneous (including Military Funds) Pensions	703,825	744,900	738,600
Extraordinary Receipts and Payments :—			
Receipts on account of Reparations, &c.	356,874	53,850	154,425
Total	26,212,412	27,164,700	26,302,875
Expenditure by Secretary of State	21,206,088	23,234,925	23,100,900
High Commissioner	5,006,324	3,929,775	3,201,975
Total	26,212,412	27,164,700	26,302,875

Expenditure in England not charged on the Revenue of the year :—

Expenditure.	Accounts, 1930-31.	Revised Estimate, 1931-32.	Budget, 1932-33.
	£	£	£
Capital outlay on State Railways	4,281,612	2,025,000	1,125,000
New Capital at Delhi	32,565	9,525	—
Posts and Telegraphs	417,418	30,075	—
Visagapatam Port.. .. .	13,792	8,775	7,500
Payments to Retrenched Personnel	—	—	4,500
Lighthouses and Lightships	8,087	300	150
Expenditure by Secretary of State	1,692,075	1,301,700	987,000
" " High Commissioner	2,226,563	771,975	150,150
Total	3,918,638	2,073,675	1,137,150

VIII.—GOLD STANDARD RESERVE.

The Gold Standard Reserve has been built up out of the profit from the coinage of rupees. The principal objects for which it is maintained are (1) to provide funds from which the Secretary of State can finance his requirements at times when remittance of funds from India through the usual market channels cannot conveniently be arranged, and (2) to furnish resources against which sterling drafts may, if necessity arises, be sold by the Government of India to remitters in India.

In recent years the Reserve has been maintained at £40,000,000 any assets in excess of this amount, on the basis of current market prices or below, being appropriated to revenue, subject to credits to an Equalisation Fund (instituted with effect from 1929-30) which was designed to mitigate the effect on the budgetary position of fluctuations in the value of the securities in the Reserve.

In 1929-30, £442,709 was transferred to the Fund, of which £33,748 was transferred to Revenue in 1930-31, and the remainder in 1931-32.

The earlier history of the Reserve is described in the Explanatory Memorandum for 1922-23. [Command Paper 1766 of 1922.] and the operation of the Revenue Equalisation Fund is described in the issue for 1931-32 [Command Paper 3969 of 1931].

Statistics regarding the Gold Standard Reserve.

The total receipts from profit on coinage, interest and discount, and profit by exchange up to 31st March, 1932, were as follows:—

	£
Profits on Coinage—from 1900–01	28,573,606
Interest and discount	31,201,735
Profit by exchange	194,917
	<u>59,970,258</u>

Of this sum, £1,123,655 has been used for capital expenditure on railways, £2,866,217 has been transferred to the Paper Currency Reserve in reduction of created Rupee securities, £14,148,884 has been transferred to Revenue, and the remainder has been credited to the Reserve. The following table shows the disposal of the sums paid to the Reserve up to 31st March, 1932, and the composition of the Reserve on that date:—

<i>Summary of transactions.</i>	£	£	<i>State of Reserve, 31st March, 1932.</i>	£
Profits on Coinage paid to Gold Standard Reserve—			Sterling Securities held in England (value at, or below, minimum market price):	
Total Profits realized since 1st April, 1900	28,573,606		Treasury Bills	4,213,772
Deduct amount used for Capital Expenditure on Railways	1,123,655		Other Securities (Treasury Bonds and War Loan)	6,480,865
	<u>27,449,951</u>			<u>10,694,637</u>
Interest and discount received up to 31st March, 1932		31,201,735	Gold held on deposit at Bank of England (valued at par)	2,152,334
Profit by exchange		194,917	Gold held in India (valued at par)	27,153,000
Profit through appreciation		144,500	Cash held in England	29
		<u>31,541,152</u>		
Profits and Interest paid to Reserve from 1st April, 1900, to 31st March, 1932		58,991,103		
<i>Deduct—</i>				
Loss on Sale, Redemption, and Conversion of Securities	1,955,428			
Transferred to Paper Currency Reserve in reduction of created securities	2,866,217			
Transferred to Revenue	14,148,884			
	<u>20,574</u>			
Miscellaneous Charges		18,991,103		
Amount of Reserve on 31st March, 1932		<u>£40,000,000</u>		<u>£40,000,000</u>

The net profit on the Gold Standard Reserve Investments up to 31st March, 1932, was £29½ millions as shown below :—

Estimated value of securities on 31st March, 1932	£	10,694,637
Cost price of securities held on 31st March, 1932		10,550,137
<hr/>		
Gain through Appreciation		144,500
Loss on sale and redemption of securities ..		1,955,428
<hr/>		
Net Loss		1,810,928
Miscellaneous charges		20,574
<hr/>		
Total of losses and charges		1,831,502
Interest and Discount received up to 31st March, 1932 ..	£	31,201,735
Profit by exchange		194,917
<hr/>		
		31,396,652
<hr/>		
Net profit on investments		29,565,150

IX.—EXCHANGE AND REMITTANCE.

The sales in London by the Secretary of State of Bills and Transfers on India, the purchases of sterling in India by the Government of India and the sterling taken over in London during the last eleven years, have been as follows :—

Year.	Sale of Bills and Transfers on India by the Secretary of State.	Purchases of Sterling by the Govt. of India.	Sterling taken over in London.	Total.	Average Rate of Exchange per Rupee.
1921-22..	£ nil	£	£	£ nil	s. d.
1922-23..	2,570,026	70,000	2,126,210	4,766,236	1 4-200
1923-24..	8,738,705	13,100,000	1,302,959	23,141,664	1 4-632
1924-25..	7,579,162	33,191,000	700,000	41,470,162	1 5-661
1925-26..	—	46,316,500	—	46,316,500	1 6-152
1926-27..	—	2,115,000	—	2,115,000	1 6-019
1927-28..	—	28,325,000	—	28,325,000	1 5-997
1928-29..	—	30,810,000	—	30,810,000	1 6-026
1929-30..	—	15,215,000	—	15,215,000	1 5-908
1930-31..	—	5,395,000	—	5,395,000	1 5-841
1931-32..	—	40,049,000	—	40,049,000	1 6-123

The sales by the Government of India of immediate and deferred telegraphic transfers on London during the last eleven years have been as follows :—

1921-22 to 1925-26 .. *Nil.*

1926-27 .. £1,425,000 Immediate Transfers at the rate of 1s. 5½d.

1927-28 to 1929-30 .. *Nil.*

1930-31 .. £5,733,626 Immediate Transfers at the rate of 1s. 5¾d.

1931-32 .. £14,047,804 Immediate Transfers at the rate of 1s. 5¾d.

X.—SEA-BORNE TRADE.

The figures of Exports from, and Imports into, India of Merchandise and Treasure during 1929-30, 1930-31 and 1931-32, are summarised below. Further particulars are given in the published statements of the Sea-Borne Trade of British India.

Summary of Sea-borne Trade.

	1929-30.	1930-31.	1931-32.
<i>On Private Account.</i>			
	Rs.	Rs.	Rs.
Exports of Merchandise	817,93,23,862	225,63,66,653	160,54,65,258
Imports of Merchandise	240,79,69,341	164,82,19,238	126,34,08,323
Net Exports of Merchandise	77,13,54,521	60,81,47,415	34,20,56,930
Net Imports or Exports of Gold	14,22,11,947	12,75,18,115	57,97,27,842
Net Imports of Silver	11,89,02,507	11,64,58,569	2,89,30,299
Net Imports or Exports of Currency Notes	8,74,321	3,02,427	25,74,661
Net Imports or Exports of Treasure	26,19,88,775	24,42,79,111	55,63,72,204
Net Exports of Merchandise and Treasure on Private Account.	50,93,65,746	36,38,68,304	89,84,29,134
<i>Government Transactions.</i>			
Imports of Merchandise	8,91,05,149	8,26,89,069	4,27,14,391
Exports of Merchandise	1,05,73,227	86,55,211	65,49,971
Net Imports of Merchandise	7,85,31,922	7,40,33,858	3,61,64,420
Net Exports of Gold	3,551	—	—
Net Exports of Silver	3,26,90,309	1,56,65,513	3,01,47,387
Net Exports or Imports of Currency Notes	24,08,335	12,177	17,100
Net Exports of Treasure	3,51,02,195	1,56,53,336	3,01,30,287

SAMUEL HOARE.

India Office,

3rd September, 1932.