

TRAVANCORE**Notes relating to statement I****(1) Customs duties on foreign trade**

The figure appropriate to the years has been extracted on a reclassification of the total revenue under Customs and Excise, keeping in view the necessity for allocation between 'Foreign trade' and 'Indian trade'.

(2) Corporation Tax

The revenue under Corporation Tax has not been separately shown in the published accounts. The figure has been extracted, however, from the total revenue, which has been reclassified for the purpose as below under suitable heads consistently with the object in view:—

	Rupees in lakhs	
	1122 M.E.	1123 M.E.
Excess Profits Tax	35·28	8·70
Agricultural Income-tax	55·45	62·00
Agricultural Corporation tax	12·25*	12·40
Agricultural Super Tax	3·50
Ordinary Corporation Tax	15·75	15·60
Income-tax, Super-tax from individuals, etc. (non-agricultural)	71·27	84·10
	190·00	186·30

(*Includes Rs. 0.09 lakhs Agricultural super tax on Individuals.)

(3) Income-tax

An addition should be made to the figure for Income-tax receipts in the basic period to allow for the increase which would have resulted if E.P.T. had not been allowed as a deduction from the total income.

(4) Central Excise

The figures have been computed after excluding the 'Customs' and 'Provincial Excise' elements.

The figures taken into account should be modified if Travancore's share of any Central Excise duties is ultimately fixed at a different figure, after final settlement with the Government of India.

(5) Railways

The State's Railway income is based on payment of Interest at $5\frac{1}{2}$ per cent. on the amount borrowed, *viz.*, Rs. 107.84 lakhs. This amount was originally borrowed at $3\frac{1}{2}$ per cent. from the Secretary of State for India but when converted into Rupee Loan and transferred to the South Indian Railway and then finally to the Government of India, the rate was increased to $5\frac{1}{2}$ per cent. The State's income has, therefore, been recomputed on the basis of $3\frac{1}{2}$ per cent. on the amount borrowed against $5\frac{1}{2}$ per cent. and an addition of Rs. 2.15 lakhs has been made to the net receipts as booked in the accounts. This adjustment has been accepted by the Committee, without prejudice to the case of either the Government of India or of Travancore in respect of re-adjustment of past accounts.

(6) Interest

Interest on investments which may ultimately be taken over by the Central Government, *less* interest on liabilities which may ultimately be taken over by the Central Government will have to be entered against item 9 of Statement I.