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AGREEMENT

FOR

THE CONSTRUCTION

OF

AN EXPERIMENTAL LINE OF RAILWAY

FROM MADRAS TOWARDS THE WESTERN COAST.

DATED 22ND DECEMBER 1852.

This Indenture made the twenty-second day of December one thousand eight hundred and fifty-two **between** THE EAST INDIA COMPANY of the one part and THE MADRAS RAILWAY COMPANY of the other part. **Whereas** the said Madras Railway Company were established by a Deed of Settlement bearing date the twenty-sixth day of July One thousand eight hundred and fifty-two for the purpose of constructing one or more Railways in the Presidency of Madras in the East Indies. **And whereas** the said East India Company considering that the construction of Railways in India will be of great advantage to the Public have agreed to co-operate with the said Railway Company in the construction of a Line of Railway from Madras towards the Western Coast of India in the manner and upon the terms and conditions hereinafter mentioned and contained. **And whereas** it was one of the terms of the said Agreement that the said Railway Company should pay into the Treasury of the East India Company the sum of five hundred thousand pounds sterling at certain times to be agreed upon. **And whereas** the sum of two thousand and ninety-six pounds nine shillings and three pence had been expended prior to the thirtieth day of September in the present year by the said Railway Company for the purposes of their undertaking in a manner approved of by the East India Company. **Now this Indenture witnesseth** that in pursuance of the aforesaid agreement and in consideration of the premises the said Madras Railway Company Do hereby for themselves and their successors (so far as the Covenants and Agreements hereinafter contained are to be observed and performed by them) Covenant with the East India Company and their successors. **And** the East India Company do hereby for themselves and their successors (so far as the Covenants and Agreements hereinafter contained are to be observed and performed by them) Covenant with the said Madras Railway Company and their successors in manner following that is to say.

Recital of Incorporation Act.

Agreement.

Deposit.

Previous expenses.

Mutual Covenants.

1. **That** it shall be lawful for the East India Company to determine fix upon and select the route and direction of a Line of Railway to be constructed as an Experimental Line of Railway such selected Line of Railway to commence at or near to Madras and to take a direction towards the Western Coast of India and such selected Line of Railway of the estimated cost in the whole of Five hundred thousand pounds sterling or thereabouts shall be completed by the said Railway Company and opened for the conveyance of Passengers and goods with all practicable speed.

Section of Line.

2. **That** the East India Company shall give notice to the said Railway Company of the Line so selected as aforesaid or of any part thereof as such part shall from time to time be fixed upon and it shall be lawful for the East India Company from time to time to alter the said route or direction or to extend or limit the same as they shall think fit after such notice as aforesaid.

Notice of Line.

3. **That** the East India Company shall after the selection of the said experimental Line of Railway or of any part thereof and from time to time as may be necessary provide the land which shall be required for the said Railway and the works connected therewith and proper Stations Offices Warehouses and other conveniences for the same and shall from time to time give to the said Railway Company possession thereof and that all land of which possession shall be so given to the said Railway Company which shall not be permanently required for the purposes of the said Railway Company shall as soon as practicable be restored to the East India Company.

Land.

Works.

4. **That** the said Railway Company shall on receiving possession of the same land or any part thereof forthwith and subject to the supervision and control hereinafter prescribed commence and proceed with diligence in the construction of the said experimental Line of Railway and of all such Stations Offices Warehouses fixed machinery and other works and conveniences as in the opinion of the East India Company (such opinion to be certified in writing) shall be necessary or expedient as well with reference to the original construction of the said Railway and the working thereof as with reference to the permanent maintenance thereof and its protection from injury or destruction by inundations tempests or other causes whatever and such Railway shall be made at such Gradients and shall be furnished with rails of such weight and strength and laid down and secured in such manner and to consist either of a single or a double Line of Railway as the East India Company shall in writing direct and shall if required by the East India Company and at such time as they shall in writing require be provided with an Electric Telegraph constructed along all or any part of the said Railway and upon such principle (and to be under such regulations as to its use and the terms of its use) as the East India Company shall in writing direct or approve of, and the said Railway Company shall from time to time attend to execute and perform all such directions in writing as may from time to time be given by the East India Company for any deviations from or alterations in any directions or requisitions previously made or given with respect to the premises. And the said Railway Company shall so soon as the said Railway shall be completed for such a distance as in the opinion of the East India Company shall be desirable open the same for the conveyance of Passengers and Goods.

Opening.

5. **That** it shall be lawful for the East India Company from time to time by Notice in writing to the said Railway Company to require any specified part or parts of the said experimental Line of Railway to be completed as aforesaid and to be opened for the conveyance of passengers and goods before the remaining part thereof shall be constructed.

Money (Capital.)

6. **That** the said Railway Company having paid into the Treasury of the East India Company in London the sum of One hundred and ten thousand four hundred and three pounds ten shillings and nine pence sterling (making together with the said sum of Two thousand and ninety-six pounds nine shillings and three pence which has been already expended as hereinbefore is mentioned the sum of One hundred and twelve thousand five hundred pounds shall complete the payment of the sum of Five hundred thousand pounds sterling by Instalments at the rate of not less than One hundred and fifty thousand pounds per annum in such sums and payable at such periods of the year as shall be assented to by the East India Company until the whole of the said sum of Five hundred thousand pounds sterling shall have been paid up which payments may be made in sums of not less than Twenty-five thousand pounds each in London provided that if the said Railway Company shall receive any portions of their subscribed Capital in India it shall be lawful for them to pay the amount so received in sums of not less than Fifty thousand Rupees into the Treasury at Madras in or towards satisfaction of the Instalments aforesaid and the acknowledgment of such respective payments there, shall when produced to the East India Company in London be considered and taken in part satisfaction of the said sum of Five hundred thousand pounds as aforesaid at the exchange of One shilling and ten pence for each Company's Rupee. **Provided always** that such payments into the Treasury at Madras shall never exceed the amounts which may from time to time be required for expenditure in India such limit being determined upon by the East India Company

Drafts on Capital.

7. **That** as often as and when any money shall be required by the said Railway Company for any purposes sanctioned by the East India Company and in reference to the particular sums from time to time required only so far as such purposes shall have been performed to the satisfaction of the East India Company or when any money shall be required for the performance of works sanctioned by the East India Company while the same shall be in course of execution, the same may be drawn in such sums as shall from time to time be necessary by the said Railway Company in London or at Calcutta from the Treasury of the East India Company or the Government of India according to such equitable arrangements as shall be made from time to time with the East India Company for that purpose but ten days notice of every such draft or proposed draft shall be given to the said Treasuries respectively and all sums of money which shall be so drawn at Madras shall be set off at the exchange of one shilling and ten pence for each Company's rupee against the said sum of five hundred thousand pounds sterling or so much thereof as shall have been paid into the Treasury of the East India Company as aforesaid and the said Railway Company shall not in any case be entitled to draw upon the Treasury in London or at Madras to an extent greater than the balance in their favor for the time being.

Plant Fares and Tolls.

8. **That** when and so soon as the said experimental line of Railway or any part thereof which shall have been required by the East India Company to be completed before the construction of the other parts shall be completed and ready to be opened for the use of the Public and so from time to time as any such part thereof shall be so completed and ready to be opened the said Railway Company shall and will subject to the supervision and control hereinafter mentioned provide to the satisfaction of the East India Company a good and sufficient working stock of engines carriages and other plant and machinery for working the said Railway or so much thereof as shall have been completed as aforesaid and carrying on the business and traffic of the same and the said Railway Company shall and will forthwith commence and carry on the business of common carriers of goods and passengers upon the said Railway and for that purpose shall cause to be run on the said Railway so many Trains at such times and at such rates of speed and between such places and with such conveniences and accommodations as the East India Company shall from time to time require and the said Railway Company shall and will allow the use of the said Railway to the Public on such terms as shall be approved by the East India Company and the said Railway Company shall be authorized and empowered to charge such fares for the carriage of Passengers and Goods and such tolls for the use of the said Railway as shall have been approved by the East India Company and shall not in any case charge any higher or different fares or tolls whatsoever without such approval being first obtained but such fares or tolls shall when such net receipts as are hereinafter mentioned shall in any year have exceeded ten per cent upon the outlay be reduced in accordance with any requisition of the East India Company in that behalf but only with a view of limiting the said fares and tolls so far that the net receipts shall not exceed ten per cent as aforesaid.

Title to Land.

9. **That** upon the completion of the whole of the said experimental line of Railway the East India Company shall and will grant to the said Railway Company a Lease of or otherwise secure to them a right and title to the land which shall have been provided under the provision hereinbefore contained or of so much thereof as shall be required for the completed Line and for the works and conveniences thereto belonging for a term of Ninety-nine years commencing from the day of the date of these Presents unless the same shall be sooner determined under the provisions herein con-

tained and the East India Company shall guarantee to the said Railway Company the quiet and undisturbed possession of such land but shall not be called upon to shew any Title thereto.

Supervision.

10. **That** the said Railway Company and their Officers servants and agents as also their accounts and affairs shall in all things be subject to the superintendence and control of the East India Company as well in England as elsewhere and in particular that no Bye Laws contracts orders directions proceedings works or undertakings acts matters or things whatsoever shall be made done entered into commenced or prosecuted by or on the part of the said Railway Company unless previously sanctioned in writing by the East India Company or in some other manner to be prescribed by them and that no monies shall be raised by the said Railway Company by any other means than by calls upon the shares in the same Company without the sanction of the East India Company in writing and no extension of the number of shares in the said Railway Company or in the amount of its Captial shall be made unless sanctioned in like manner and that it shall be lawful for the East India Company from time to time to give to the said Railway Company their Officers Servants and Agents all such orders and directions as the East India Company shall from time to time think fit with reference to the Railway and Works to which this present Contract relates and with reference to the manner and times of executing the same and with reference to any contracts orders and directions to be entered into made or given with regard thereto and otherwise with reference to the same all which contracts orders and directions shall be executed and followed by the said Railway Company to the satisfaction of the East India Company the costs and expenses of the same which shall have been allowed and sanctioned by the East India Company being paid out of the said sum of five hundred thousand pounds sterling and that for better enabling the East India Company to exercise the control and direction intended to be hereby secured the said Railway Company shall record and keep in proper books for that purpose full and particular accounts of all their transactions and proceedings including full and true minutes of all their meetings, meetings of Directors, Communications with India and Correspondence so as at all times to exhibit thereby fully and truly the state of their affairs and proceedings and that the East India Company and any person or persons appointed by them in that behalf shall at all reasonable times have free access to all the books accounts papers and documents of the said Railway Company except communications between the said Railway Company and their legal Advisers and power to make Copies of or Extracts from the same whether such books accounts papers and documents relate to the Experimental Railway and Works aforesaid or to any other matters or things whatsoever in which the said Railway Company shall or may be interested and for the purposes aforesaid it shall also be lawful for the East India Company from time to time to appoint any one person not being a shareholder in the said Railway Company to be an ex-officio Director of the said Railway Company which Director if and when appointed shall rank as and be one of the Board of Directors of the said Company and be entitled in all things to act as such and to exercise at his discretion a right of Veto in all proceedings whatsover at Boards of the said Directors except proceedings for the purpose of communication with the legal advisers of the Company and shall not be removable unless by order of the East India Company and shall in case the whole number of Directors shall at the time of his appointment be filled up come and be in the place of the Director who shall retire from the direction according to the decision of the Board such decision being taken by Ballot but such official Director shall not be entitled to any salary from the said Railway Company. **Provided always** that nothing hereinbefore contained shall authorize the East India Company to appoint any Officers or servants of the said Railway Company except such Official Director as aforesaid.

Sanction of Expenditure.

11. **That** all the expenses of the said Railway Company shall from time to time be stated and submitted to the East India Company for their sanction and approval and as between the said Railway Company and the East India Company shall be allowed so far only as the same shall from time to time have been sanctioned and approved by the East India Company. **Provided always** that the last mentioned stipulation shall not interfere with any such subsidiary Agreement or Agreements if any as from time to time may be made between the said Railway Company and the East India Company for the performance of any part or parts of the said Railway and Works at any sum or sums of money to be specified in such subsidiary agreement or agreements in which case the expenses in respect of the same shall be allowed and taken at the sum and sums which shall be so agreed upon.

Capital Account.

12. **That** a Capital Account relating to the construction of the said experimental Line of Railway and the works conveniences and telegraphs thereto belonging and relating to the original cost of Engines Carriages and the plant and machinery shall be kept by the said Railway Company to which account all monies paid by the said Railway Company the expenditure of which shall have received the sanction and approval of the East India Company shall from time to time be carried and when and so soon as the said Railway and Works shall have been completed and finished with the necessary rolling Stock and Plant the said capital account shall be made up and a statement shall be furnished to the East India Company of the aggregate amount of capital which according to such account shall have been expended and such amount shall by examination of such account be ascertained and certified by the East India Company and thenceforth and from the opening of the said Line of Railway the cost of maintaining it, with its machinery and stock in good working condition shall be payable by the Railway Company out of the revenue of the said Railway including any interest to be received from the East India Company as hereinafter is mentioned. But upon any additions alterations or improvements such as shall properly be chargeable to the capital account being thereafter made with the sanction and approval of the East India Company to of or in the said Railway or the Works conveniences or Telegraphs thereto belonging or the Engines Carriages and other plant and machinery the cost necessarily incurred in executing such additions alterations or improvements shall be added to the said capital account and the said capital account shall from time to time be made up and stated afresh as occasion shall require and be ascertained and certified accordingly.

Repairs.

13. **That** at all times during the said term of Ninety-nine years the said Railway Company shall keep the said Railway or so much thereof as shall be completed and the Works and conveniences belonging thereto and the Telegraphs on the said Railway (if any) in a state of good repair and in good working Condition to the satisfaction of the East India Company and shall keep the same fully provided with rolling stock and plant adequate to the service thereof to the satisfaction of the East India Company.

Revenue Account.

14. **That** the said Railway Company shall in such forms and under such heads or divisions as shall be prescribed by the East India Company keep accounts of all receipts and payments whatever in respect of their undertaking and business (except such receipts and payments as shall properly belong to the Capital Account hereinbefore agreed to be kept) and such Accounts shall be called the "Revenue Accounts of the Madras Railway Company" and shall be made up half yearly to the Thirtieth day of June and

the Thirty-first day of December in every year or to such other day in the year as the East India Company shall appoint and shall be regularly transmitted to the East India Company who shall be at liberty at all times in auditing the same Accounts to make any corrections therein which may be necessary.

Deposit of Revenue and Drafts thereon.

15. **That** all monies whatever except the monies covenanted by this Agreement to be otherwise paid received by or on account of the said Railway Company in India shall be paid at such times and in such manner as the East India Company shall direct without any deduction or under any pretence whatever be paid into the Treasury of the East India Company at Calcutta to an account to be kept separately and to be called "The Revenue Account of the Madras Railway Company" and when any money shall be required by the said Railway Company for any purposes sanctioned by the East India Company and in reference to the particular sums required only so far as the East India Company shall be satisfied that the Work has been performed such money may be drawn by the said Railway Company according to such arrangements as shall from time to time be made with the East India Company for that purpose.

Guarantee of Interest

16. **That** the East India Company shall from time to time during the said determinable term of Ninety-nine years pay to the said Railway Company in London half yearly on the Thirtieth day of June and the Thirty-first day of December in every year Interest at the rate of Four and a half per cent. per annum on the said sum of Five hundred thousand pounds sterling or on such part thereof as shall for the time being have been paid into the Treasury of the East India Company as aforesaid including the said sum of Two thousand and ninety-six pounds nine shillings and three pence expended as aforesaid (which shall for all the purposes of these Presents be regarded as having been paid into the said Treasury on the date hereof and drawn out for the purposes of the said Railway Company) such interest upon any part of the said sum of Five hundred thousand pounds being considered in the first instance as running from the day on which the same part shall have been so paid or been deemed to have been so paid into the Treasury of the East India Company.

Excess above £500,000.

17. **That** if the expenditure of the said Railway Company in making the said experimental Railway and Works or otherwise in respect to the matters to be included in the said Capital Account shall exceed the said sum of five hundred thousand pounds the monies necessary to meet such excess having been raised and paid by the said Railway Company into the Treasury of the East India Company the same Company shall from time to time during the then residue of the said determinable term of Ninety-nine years pay to the said Railway Company half yearly on the days aforesaid interest at the rate of four and a half per cent. per annum on the same monies to be calculated from the respective times when they shall have been so paid into the Treasury of the East India Company as aforesaid.

Limit of Experiment

18. **That** if after the selection of the said Experimental Line of Railway the East India Company under the power hereinbefore reserved to them in that behalf shall with the view of keeping the expenditure within Five hundred thousand pounds or for any other reason think fit to limit the extent of the said Experimental Line of Railway the provisions herein contained with reference to the originally intended Line of Railway shall apply to the said limited extent of Railway in the same manner as if the same had been originally selected. **Provided always** that in case of any alteration in the selected Line of Railway all expenditure which shall have been incurred by the said Railway Company and which shall have been sanctioned and approved by the East India Company shall be considered as properly expended although

the same may in the event be useless for the purpose of the said Railway as finally adopted.

Application of Profits

19. **That** so soon as the said Railway Company shall begin to work the said experimental Railway or any part thereof the net receipts which shall be realized during any half year or from the commencement up to the first of the aforesaid half yearly days after deducting therefrom all sums which shall have been expended in the repair and maintenance of the said Railway and Works and the repair and restoration of the rolling stock and plant and the management and conduct of the said Railway Company and its affairs and which shall have been allowed or sanctioned by the East India Company and also deducting such sum if any as with the consent of the East India Company may be appropriated and set apart for restoring and making good any deterioration of the Railway and Works or stock and plant and for the current expenses of working the Railway (the money to be so appropriated and set apart as a Reserve Fund or any part thereof being invested and accumulated or otherwise dealt with till required for application in any manner the said Railway Company may think fit subject to the sanction and approval of the East India Company) shall be applied in the first place in or towards discharge of the interest which shall be payable by the East India Company under their Covenants hereinbefore contained in respect of the said half year so as to exonerate the East India Company so far as the same net receipts will extend from the payment of such interest the money to be so applied being reckoned at the exchange of One shilling and ten pence per Company's Rupee and the residue if any of such net receipts shall be applied in manner following (that is to say) One moiety thereof shall be forthwith applied in payment of such sums of money as shall at any previous time or times have been paid by the East India Company to the said Railway Company under the covenants hereinbefore contained by way of interest as aforesaid together with simple interest on such sums of money at the rate of four and a half per cent. per annum from the times of payment respectively and such moiety shall be paid into the Treasury of the Government of India in India and shall be reckoned at the said rate of exchange and shall be applied in reduction and discharge of the whole of the interest payable to the East India Company on the said sums of money before the same shall be applied in liquidation of any part of the principal thereof and the other moiety of the said surplus net receipts shall be paid to or applied for the use and benefit of the said Railway Company and if at any time during the said determinable term of ninety-nine years the whole of the monies previously paid by the East India Company as aforesaid with interest thereon as aforesaid shall have been repaid and discharged then for every half year during such time and as often as the same shall happen the said Railway Company shall be entitled for their own use and benefit to the entirety of the said surplus net receipts or as the case may be so much thereof as shall remain after such repayment and discharge as last aforesaid shall have been made.

Mails and Troops.

20. **That** the said Railway Company will at all times during the said determinable term convey on the said Railway the Government Mails and Post Bags and the Guards and other Servants of the Post Office in charge thereof free of charge and when they are on duty all Officers and Persons in the Administration of the Post Office also free of charge and will also convey on the said Railway when they are on duty the Troops both Horse and Foot as well those of Her Majesty as those of the East India Company and all other persons to whom the provisions of the Mutiny Acts for the time being in Force for the Queen's Forces and for the East India Company's Forces respectively shall be applicable and all Artisans on the business of the

East India Company the officers and persons of similar station in life to be entitled to travel in first class carriages at second class fares and the Troops and European Artisans in second class carriages at the lowest fares and all other persons at the lowest fares and will also convey on the said Railway all general Stores belonging to the East India Company and all Guns Ammunition Horses and other animals used for Military purposes and all Military Stores carriages waggons Camp equipage and equipments whatsoever at the lowest rate for the time being chargeable for the carriage of such Animals goods and merchandize the several privileges of conveyance and carriage hereby stipulated for being at all times to be used and enjoyed in preference to and priority over the Public use of the said Line of Railway for conveyance and carriage.

Ultimate rights of Property.

21. **That** at the end of the said term of Ninety-nine years by effluxion of time the land to be provided as aforesaid with the Railway thereon and all buildings works fixed machinery telegraphs and conveniences whatsoever shall revert to and become the property of the East India Company on account of the Government of India free from all debts and charges whatever save such as shall have been sanctioned by the East India Company and any lands in Great Britain which may then be held by the said Railway Company for the purpose of their business shall be sold and the clear monies to be produced by such Sale shall be paid to the East India Company on the same Account and the said Railway Company shall deliver to the East India Company as their property on the same account all Plans Surveys Sections Books Printings Writings and documents whatsoever in any wise connected with the undertaking and affairs of the said Railway Company and the said Railway Company shall sell to the East India Company who shall be bound to purchase the same all the Engines Carriages stock machinery and plant which shall then be used in working the said Railway or otherwise in connection therewith for such sum of money as shall be determined by a Valuation to be made by referees or their Umpire in case of difference to be respectively appointed in the usual manner and the East India Company shall pay to the said Railway Company in London the sum of money to be so determined within four months after such determination with interest thereon at the rate of Four and a half per cent. per annum from the expiration of the said term of Ninety-nine years.

Surrender.

22. **That** after the said experimental line of Railway shall have been finished and in work for Three Calendar months at least it shall be lawful for the said Railway Company then or at any time thereafter to give Notice in writing of their intention to surrender and relinquish the said Railway and works to the East India Company on any day to be mentioned in such Notice so that such Notice be served at least Six Calendar months before that day both on the East India Company in London and also on the Secretary of Government at Madras and in case of such Notice being given the said Railway Company shall at the expiration thereof surrender and relinquish the said Railway and Works accordingly together with the Telegraphs (if any) and shall with all convenient speed sell any lands in Great Britain which may then be held by the said Railway Company for the purpose of their business and pay the clear monies to be produced by such sale to the East India Company and shall deliver to the East India Company the Engines Carriages Stock Plant and machinery belonging to the said Railway and Works and all Plans Surveys Sections printings writings and documents whatsoever connected with the undertaking and affairs of the said Railway Company and the East India Company shall be bound to accept the premises to be so surrendered and delivered it being expressly agreed that the said Railway works telegraphs engines carriages stock plant and machinery shall

at the time of such Surrender and delivery be in good working order according to the Covenant in that behalf hereinbefore contained on the part of the said Railway Company and immediately upon such Surrender and delivery being made the East India Company shall be bound to pay to the said Railway Company the capital expended by the said Railway Company ascertained and certified in the manner hereinbefore mentioned together with such parts (if any) of the said sum of Five hundred thousand pounds which shall remain in the hands of the East India Company and thereupon the aforesaid Covenants for payment of Interest shall cease as from the day upon which the East India Company shall be bound to accept the said Railway and Works and all claims by the East India Company on account of Interest or otherwise on the said Railway Company shall also cease except that the East India Company shall be at liberty to retain out of any monies payable to the said Railway Company the amount of all other claims or demands of any sort then existing against the said Railway Company on their revenue account in respect of their undertaking and which shall not be shewn to have been fully satisfied and discharged until the same shall have been shewn to be so satisfied and discharged. **Provided also** that the East India Company shall not be liable to refund any sum expended in the maintenance or working of the Line after the same shall have been opened which sum is to be provided by the Railway Company out of the revenues of the Line and interest as hereinbefore provided or otherwise.

Right of Purchase.

23. **That** at any time within Six Calendar months after the expiration of the first Twenty-five years of the said term of Ninety-nine years or at any time within Six Calendar months after the expiration of the first Fifty years of the same term it shall be lawful for the East India Company to give Notice to the said Railway Company in London and at Madras of their intention to purchase the said Railway and Works together with the Telegraphs (if any) and the Engines Carriages Stock Plant and machinery belonging to the said Railway and Works but subject to such debts and liabilities if any as may be incurred to the East India Company (exclusive of any arrears of interest on the Capital of the said Railway Company which shall have been paid under the Conditions of this Agreement and which shall be still due) or to any person or persons with the sanction of the East India Company and to interest on such of the said debts as carry interest from the day on which they shall take possession of the said Railway but not from any earlier time and thereupon at the half yearly day next but one following such notice the land to be provided as aforesaid with the Railway thereon and all buildings works fixed machinery telegraph and conveniences whatsoever shall revert to and become the property of the East India Company as the Owners thereof by purchase on account of the Governor of India and in case any lands in Great Britain shall then be held by the said Railway Company for the purposes of their business the same shall be sold and the clear monies to be produced by such Sale shall be paid to the East India Company and the said Railway Company shall at the same time deliver to the East India Company the Engines Carriages stock plant and machinery belonging to the Railway and Works and all plans Surveys Sections books printings writings and documents whatsoever in anywise connected with the undertaking and affairs of the said Railway Company and the East India Company shall be bound to pay in London on the said half yearly day for the purchase of all the same premises the full amount of the value of all the shares or Capital Stock in the said Railway Company calculated according to the mean Market value in London of such shares or stock during the three years immediately preceding the expiration of the said period of Twenty-five years or the said period of Fifty years

as the case may be and shall also be bound to indemnify the said Railway Company against all such debts and liabilities (if any) as they may have incurred to or with the sanction of the East India Company and thereupon the aforesaid Covenants for payment of Interest shall cease.

Possession as a remedy.

24. **That** if default shall be made by the said Railway Company in payment of the said sum of Five hundred thousand pounds or any of the Instalments thereof or in the due application of any monies drawn from the Treasury in London or in India as aforesaid or in the execution of the said Railway and Works conformably with their aforesaid Covenant in that behalf or in case the said Railway shall not be worked to the satisfaction of the East India Company or in case of any other breach on the part of the Railway Company of any of the Covenants herein contained it shall be lawful for the East India Company on giving to the said Railway Company at Madras three Calendar months notice of their intention in that behalf to terminate the interest of the said Railway Company in the said Land Railway Telegraphs and Works and to assume possession of the said land Railway Telegraphs and Works and of all or any of the Engines carriages stock plant and machinery provided for the same and all Plans Surveys Sections books printings writings and documents whatsoever in anywise connected with the undertaking and affairs of the said Railway Company and in that case any lands in Great Britain which may then be held by the said Railway Company for the purpose of their business shall with all convenient speed be sold and the clear monies to be produced by such sale shall be paid to the East India Company and in case of such notice being given the East India Company shall be liable to repay within six Calendar months of its expiration to the said Railway Company in London the Capital expended by the said Railway Company so ascertained and certified as hereinbefore mentioned after a proper deduction for all debts and liabilities then affecting the said Railway Company or the property of the said Railway Company the money so to be repaid to include so much (if any) of the said sum of Five hundred thousand pounds as shall then remain in the hands of the East India Company and thereupon the aforesaid Covenants of the East India Company for payment of Interest shall cease and all claims by the East India Company on the said Railway Company shall also cease.

Repairs by the East India Company.

25. **That** if default shall be made by the said Railway Company after the Line shall have been open in their Covenant to keep the said Railway and Works in repair and condition for the space of one Calendar month next after notice in writing in that behalf from the East India Company to the said Railway Company at Madras. It shall be lawful for the East India Company by their Agents to enter on the Railway and Works and do and execute all such Works as may be required for fulfilling the said Covenant and to charge the expenses of the same against the Railway Company by setting off the amount of such expenses against any monies then payable or which shall thereafter become payable by the East India Company for Interest in manner hereinbefore mentioned which Interest shall in such case to that extent be considered as paid and satisfied by such set off or retainer and shall for all the purposes of these Presents be regarded and considered as interest actually paid by the East India Company to the said Railway Company in pursuance of their aforesaid Covenants in that behalf and if such expense shall not be satisfied by such set off and retainer as aforesaid then the East India Company may set off and deduct the same against and from all or any part of any other monies which shall on any account whatever be or become payable by the East India Company to the said Railway Company.

Annuity commutation.

26. **That** in every or any case in which under the provisions of these Present the East India Company shall become bound to repay the Capital expended by the said Railway Company as aforesaid or in which the East India Company shall become liable to pay for the purchase of the said Railway Works and Stocks before the expiration of the said term of Ninety-nine years it shall be lawful for the East India Company instead of paying a gross sum of money in respect of the premises to declare by Notice to the said Railway Company in London their option to pay an Annuity to be reckoned from the time when the gross amount would be payable and to continue during the residue of the said term of Ninety-nine years and in that case such Annuity shall be payable in London on such two half yearly days in the year as shall be selected by the East India Company in that behalf with a fractional part for any broken half year the rate of Interest which shall be used in calculating such Annuity being determined by the average rate of Interest during the preceding two years received in London upon public obligations of the East India Company and which shall be ascertained by reference to the Governor or Deputy Governor of the Bank of England for the time being. **Provided always** that the aforesaid option shall not apply to the undrawn portion of the aforesaid sum of Five hundred thousand pounds which portion is to be repaid to the said Railway Company with interest under the provision in that behalf hereinbefore contained in case the said Railway Company shall relinquish or be deprived of the said Experimental Railway and Works as aforesaid.

Return of Surplus.

27. **That** if after the said Experimental Railway and Works including the Telegraph if required shall have been completed and furnished with adequate working stock the whole of the said sum of Five hundred thousand pounds shall not have been required for the purpose of the said Capital Account the surplus thereof shall to the extent to which the same shall have been received by the East India Company be refunded by the East India Company to the said Railway Company in London with such Interest as shall be due on such sum at the time and thereupon the aforesaid Covenants for payment of Interest shall apply only to the amount of the said Capital Account and such last mentioned amount shall for all the purposes of these Presents be considered as substituted in lieu of the said sum of Five hundred thousand pounds.

Representation of East India Company.

28. **That** any notice direction approval or sanction to be given or signified on the part of the East India Company for any of the purposes of these Presents shall be sufficient and binding if signed by the Secretary or the Deputy Secretary of the East India Company in London or by the Secretary of Government at Madras or by any other Officer or Servant of the East India Company duly authorized to act on behalf of the East India Company in respect of the matters to which the same shall relate and that the East India Company shall not in any case be bound in respect of the matters aforesaid unless by some writing signed in the manner before mentioned.

Railway Office in Madras and Agent.

29. **That** the said Railway Company shall forthwith cause to be established in Madras an Office of the said Railway Company and keep the same at all times hereafter during the said term established at Madras and the said Railway Company shall keep at the said Office an authorized Agent or Agents with whom the East India Company and Government of Madras may communicate on affairs concerning the said Railway and all Drafts drawn by the said Agent or Agents and all receipts of and acts done by such Agent or Agents on behalf of the said Railway Company or concerning the said Railway Works and Stocks shall be binding on the said Railway Company and every Notice to be given to the said Railway Company shall be sufficiently given if left at the said Office or personally served on such Agent or Agents.

Legislation in India.

30. **That** the East India Company and the said Madras Railway Company

shall promote the passing by Parliament and the Governor General of India in Council of any Act or Acts which shall be necessary or convenient for enabling the said Railway Company to fulfil the objects of their Undertaking according to the terms and provisions of these Presents and for ratifying and confirming the powers and authorities hereby given to the East India Company or expressed or intended to be vested in them. **In witness** whereof the East India Company and the Madras Railway Company have hereunto interchangeably set their respective Corporate Seals the day and year first above written.

Signed and Sealed by order of the Board of Directors of The Madras Railway Company.	A. P. MACKENZIE, J. A. WALKER, DUNCAN SIM.	*Directors.*

CONTRACT

FOR

THE EXTENSION

OF

THE LINE OF RAILWAY

TO

THE WESTERN COAST.

DATED 19TH DECEMBER 1855.

the said Indenture mentioned and that the said line of Railway should during such determinable term be kept in good repair and working condition by the said Railway Company and that the East India Company should pay to the Railway Company during the said determinable term interest at the rate of Four pounds ten shillings per cent per annum on the moneys so paid to the East India Company. And in clause nineteen of the said Indenture is contained a provision that so soon as the said Railway Company should begin to work the said Experimental Railway or any part thereof the net receipts which should be realized during any half year or from the commencement up to the first of the half yearly days in the said Indenture mentioned after deducting therefrom all sums which should have been expended in the repair and maintenance of the said Railway and works and the repair and restoration of the rolling stock and plant and the management and conduct of the said Railway Company and its affairs and which should have been allowed or sanctioned by the East India Company and also deducting such sum if any as with the consent of the East India Company might be appropriated and set apart for restoring and making good any deterioration of the Railway and works or stock and plant and for the current expences of working the Railway (the money to be so appropriated and set apart as a reserve fund or any part thereof being invested and accumulated or otherwise dealt with till required for application in any manner the said Railway Company might think fit subject to the sanction and approval of the East India Company) should be applied in the first place in or towards discharge of the interest which should be payable by the East India Company under their Covenant thereinbefore contained in respect of the said half year so as to exonerate the East India Company so far as the same would extend from the payment of such interest the money to be so applied being reckoned at the exchange of one shilling and ten pence per Company's Rupee and the residue if any of such net receipts should be applied in manner following (that is to say) One moiety thereof should be forthwith applied in the payment of such sums of money as should at any previous time or times have been paid by the East India Company to the said Railway Company under the Covenants thereinbefore contained by way of interest together with simple interest on such sums of money at the rate of four and a half per cent per annum from the times of payment respectively and such moiety should be paid into the Treasury of the Government of India and should be reckoned at the said rate of exchange and should be applied in reduction and discharge of the whole of the interest payable to the East India Company on the said sums of money before the same should be applied in liquidation of any part of the principal thereof and the other moiety of the said surplus net receipts should be paid to or applied for the use and benefit of the said Railway Company and if at any time during the said determinable term of Ninety nine years the whole of the moneys previously paid by the East India Company with interest thereon should have been repaid and discharged then for every half year during such time and as

often as the same should happen the said Railway Company should be entitled for their own use and benefit to the entirety of the said surplus net receipts or (as the case might be) so much thereof as should remain after such repayment and discharge should have been made. And by Clause Twenty two of the said Indenture the said Railway Company have power after the said Experimental Railway should have been finished and in work for three calendar months at least to require the East India Company to purchase the said Line and Works and the other property of the said Railway Company and to pay for the same the amount of the Capital expended by the said Railway Company. And by Clause twenty three of the said Indenture power is given to the East India Company either at the end of the First twenty five years or at the end of the first Fifty years of the said term to purchase the said Railway and works and other property of the said Railway Company paying for the same the full value of all the shares or capital stock in the said Railway Company at the average price thereof during the three years preceding such purchase with an option to commute such payment for an annuity of the same value for the residue of the said term of ninety nine years. **And whereas** twenty five thousand shares of twenty pounds each in the Capital of the said Railway Company were created and issued and the whole amount of the same has been called up and a sum amounting to Four hundred and ninety nine thousand nine hundred and thirty five pounds has been paid into the Treasury of the East India Company in pursuance of the hereinbefore recited Indenture. **And whereas** a Line of Railway was selected by the East India Company to form the said Experimental Line commencing at Madras and extending to or near Menil and the land required for such line was provided by the East India Company and the said Railway Company have nearly completed the said Line under the direction of the East India Company. **And whereas** in the month of July One thousand eight hundred and fifty three proposals were made by the East India Company and entertained by the said Railway Company for the extension of the said Experimental Line of the said Railway Company to the western coast of India at the Estimated cost of Four Million pounds sterling in the whole including the said Experimental Section and upon terms corresponding with the terms of the hereinbefore recited Indenture of the Twenty second day of December One thousand eight hundred and fifty two except as hereinafter mentioned. **And whereas** with a view to the carrying of such proposed Contract into effect the Directors of the said Railway Company issued proposals for raising a further Capital of Five hundred thousand pounds sterling to be called first Extension Capital of the Madras Railway Company in Twenty five thousand shares of Twenty pounds each and the whole of such further Capital was subscribed for and the Subscribers paid thereon a Deposit of Two pounds per share. **And whereas** by an Act of Parliament made and passed in the Seventeenth year of the reign of Her present Majesty the said Railway Company were empowered to enter into and

This Indenture made the Nineteenth day of December one thousand eight hundred and fifty-five **between** THE EAST INDIA COMPANY of the one part and THE MADRAS RAILWAY COMPANY incorporated by Act of Parliament made and passed in the Session of the Sixteenth year of the reign of Her present Majesty entituled " An Act for incorporating the Madras Railway Company and for other purposes connected therewith" of the other part **Whereas** the said Madras Railway Company were incorporated by the said Act of Parliament for the purpose of making and constructing working and maintaining such Railway or Railways in the East Indies including all necessary accessory or convenient extensions branches stocks and works as might be agreed upon by the said Railway Company and the East India Company. And by the said Act the said Railway Company were empowered from time to time to enter into and conclude with the East India Company on account of the Government of India such contracts agreements and arrangements as the respective parties might think fit and agree upon for making any Railway or Railways in India and any Telegraphs connected therewith and for maintaining and working the same. **And whereas** the object of the formation of the said Railway Company was the construction of a line of Railway in the Presidency of Madras and the said Railway Company was formed with an original Capital of Five hundred thousand pounds sterling with power of extension to One million. **And whereas** in or about the year One thousand eight hundred and fifty-two the East India Company proposed to the said Railway Company to construct an Experimental Line of Railway in the said Presidency at an estimated cost of Five hundred thousand pounds sterling or thereabouts **And whereas** by an Indenture bearing date the twenty second day of December One thousand eight hundred and fifty two and made and entered into between The East India Company of the one part and the said Madras Railway Company of the other part. It was amongst other things agreed that the said Railway Company should construct and open an Experimental Line of Railway to commence at or near Madras and to take a direction towards the Western Coast of India at an estimated cost of Five hundred thousand pounds sterling or thereabouts and that the land required for the purposes of the said Railway should be provided by the East India Company and that the sum of Five hundred thousand pounds sterling and such further sums if any as might be required for the completion of the said Experimental Line of Railway should be paid by the said Railway Company to the said East India Company to be from time to time drawn out for the purposes of the work. And that the said Experimental Line when completed should be leased to the said Railway Company for the term of Ninety nine years from the date of the said Indenture determinable by surrender or purchase as in conclude with the East India Company on account of the Government of India such contract or contracts agreements and arrangements as the respective parties might think fit and agree upon for the extension of the said Experimental Line of Railway to the western Coast of India and for a Branch Line to Bangalore and the foot of the hills towards Ootacamund respectively either in one or more sections respectively and for any other of the purposes or objects contemplated by the said Act for incorporating the said Company and from time to time to vary or alter such contracts agreements and arrangements and to enter into new or other contracts agreements and arrangements in relation to the premises. **And whereas** subsequently to the passing of the said Act it was not found practicable to issue any further shares by reason of the difficulty of obtaining Capital for industrial enterprizes in consequence of the high rate of interest but it was determined to create new Capital and issue new shares so soon as in the judgment of the said Railway Company it should be possible and expedient so to do and in the meantime it was arranged between the East India Company and the Railway Company to proceed with such Extension line so far as the means of the said Company might extend and the said East India Company agreed to extend the interest to be guaranteed by the said Company on the said sum of Five hundred thousand pounds Extension Stock to Five pounds per centum. **And whereas** it was also agreed that the said Railway Company should pay into the Treasury of the East India Company in the manner hereinafter mentioned the Capital raised for the purposes of the said Extension Railway and in pursuance and part performance of such stipulations the said Railway Company have paid into the Treasury of the East India Company the sum of Three hundred and seventy four thousand nine hundred and thirteen pounds on account of such extension Capital. **And whereas** in or about the month of July One thousand eight hundred and fifty five the East India Company proposed to the said Railway Company to create or issue a further Capital of One Million pounds sterling in fifty thousand shares of Twenty pounds each on which interest at the rate of Four pounds fifteen shillings per cent should be guaranteed by the East India Company and accordingly a further Capital of One Million Pounds sterling in shares of Twenty pounds each was created by the said Railway Company on the Ninth day of August last past under the title of Second Extension Capital. **And whereas** nearly the whole of the said shares have been issued to the Public and Five pounds per share has been called up thereon and Three hundred and seventy three thousand one hundred and ninety pounds has been paid into the Treasury of the East India Company in pursuance of the arrangements with the East India Company on account of such Second Extension Capital. **Now this Indenture witnesseth** that in consideration of the premises The said Madras Railway Company **Do** hereby for themselves and their successors (so far as the covenants and agreements hereinafter contained are to be observed and performed by them) COVENANT with the East India Company and their

Successors. And the said East India Company **Do** hereby for themselves and their successors (so far as the Covenants and agreements hereinafter contained are to be observed and performed by them COVENANT with the said Madras Railway Company and their successors in manner following that is to say.)

Section of Line.

1. **That** it shall be lawful for the East India Company to determine fix upon and select the route and direction of the extension Line of Railway to commence at some point in the experimental Section of the said Line which has been already determined by the Government of India and to proceed to the Western Coast of India with a branch to Bangalore and the foot of the Hills towards Ootacamund and such selected line of Railway of the estimated cost in the whole of four million pounds sterling or thereabouts which has been already commenced shall be completed by the said Railway Company and opened for the conveyance of Passengers and goods with all practicable speed.

Notice of Line.

2. **That** the East India Company shall give notice to the said Railway Company of the Line when so selected as aforesaid or of any part or parts thereof as such part or parts shall from time to time be fixed upon and it shall be lawful for the said East India Company from time to time to alter the said route or direction or to extend or limit the same as they shall think fit after such notice as aforesaid. **Provided always** that if such alteration of route or direction shall be made after the Railway shall have been commenced in the previously selected route or direction the expence of such Railway or in any way incident to such alteration shall be considered as properly incurred by the said Railway Company.

Land.

3. **That** the East India Company shall after the selection of the route and direction of the said Extension Line of Railway or of any part or parts thereof and from time to time as may be necessary provide the Land which shall be required for the said Railway or for the part or parts thereof so selected and the works connected therewith and for proper Stations Offices warehouses and other conveniences for the same and shall give to the said Railway Company possession thereof and that all Land of which possession shall be so given to the said Railway Company which shall not be permanently required for the purposes of the said Railway Company shall as soon as practicable be restored to the East India Company.

Works.

4. **That** the said Railway Company shall on receiving possession of the same land or any part thereof forthwith and subject to the supervision and control hereinafter prescribed commence and proceed with diligence in the construction of the said Extension Line of Railway and of all such stations offices warehouses fixed machinery and other works and conveniences as in the opinion of the East India Company (such opinion to be certified in writing) shall be necessary or expedient as well with reference to the construction of the said Railway and the working thereof as with

in accordance with any requisition of the East India Company in that behalf but only with a view of limiting the said fares and tolls so far that the net receipts shall not exceed ten per cent as aforesaid.

Title to Land.

9. **That** upon the completion of the whole of the said Line of Railway or of any part or parts thereof which shall have been required by the East India Company to be completed before the construction of the remaining part the East India Company shall and will grant to the said Railway Company a Lease of or otherwise secure to them a right and title to the land which shall have been provided under the provisions in the said Indenture of the twenty second day of December One thousand eight hundred and fifty two and in these presents respectively contained or of so much thereof as shall be required for the completed Line and for the works and conveniences thereto belonging for a term of Ninety nine years commencing from the day of the date of these Presents unless the same shall be sooner determined under the provisions herein contained. And the East India Company shall guarantee to the said Railway Company the quiet and undisturbed possession of such land but shall not be called upon to shew any title thereto.

Supervision.

10. **That** the said Railway Company and their Officers Servants and Agents as also their accounts and affairs shall in all things be subject to the superintendence and control of the East India Company as well in England or elsewhere and in particular that no Bye Laws Contracts orders directions proceedings works or undertakings acts matters or things whatsoever shall be made done entered into commenced or prosecuted by or on the part of the said Railway Company unless previously sanctioned in writing by the East India Company or in some other manner to be prescribed by them and that no monies shall be raised by the said Railway Company by any other means than by calls upon or payments in respect of the shares of the same Company without the sanction of the East India Company in writing and no extension in the number of shares in the said Railway Company or in the amount of its Capital shall be made unless sanctioned in like manner. And that it shall be lawful for the East India Company from time to time to give to the said Railway Company their Officers Servants and Agents all such orders and directions as the East India Company shall from time to time think fit with reference to the Railway and works to which this present Contract relates and with reference to the manner and times of executing the same and with reference to any Contracts orders and directions to be entered into made or given with regard thereto and otherwise with reference to the same all which Contracts orders and directions shall be executed and followed by the said Railway Company to the satisfaction of the East India Company the costs and expenses of the same which shall have been allowed and sanctioned by the East India Company being paid out of the said Capital of the said Railway Company. And that for better enabling the East India Company to exercise and control the direction intended to be hereby secured the

said Railway Company shall record and keep in proper books for that purpose full and particular accounts of all their transactions and proceedings including full and true minutes of all their meetings of Directors communications with India and correspondence so as at all times to exhibit thereby fully and truly the state of their affairs and proceedings and that the East India Company and any person or persons appointed by them in that behalf shall at all reasonable times have free access to all the books accounts papers and documents of the said Railway Company except Communications between the said Railway Company and their legal advisers and power to make copies of or extracts from the same whether such books accounts papers and documents relate to the Extension Railway and works aforesaid or to any other matters or things whatsoever in which the said Railway Company shall or may be interested and for the purposes aforesaid it shall be lawful for the East India Company from time to time to appoint any one person not being a Shareholder in the said Railway Company to be an Ex-officio Director of the said Railway Company which Director if and when appointed shall rank as and be one of the Board of Directors of the said Company and be entitled in all things to act as such and to exercise at his discretion a right of veto in all proceedings whatsoever at Boards of the said Directors except proceedings for the purpose of communicating with the legal advisers of the Company and shall not be removable except by order of the East India Company and shall in case the whole number of Directors shall at the time of his appointment be filled up come and be in the place of the Director who shall retire from the direction according to the decision of the Board such decision being taken by ballot but such official Director shall not be entitled to any salary from the said Railway Company. **Provided always** that nothing hereinbefore contained shall authorize the East India Company to appoint any Officers or Servants of the said Railway Company except such Official Director as aforesaid.

Sanction of Expenditure.

11. **That** all the expenses of the said Railway Company shall from time to time be stated and submitted to the East India Company for their sanction and approval and as between the said Railway Company and the East India Company shall be allowed so far only as the same shall from time to time have been sanctioned and approved by the East India Company. **Provided always** that the last mentioned stipulation shall not interfere with any such subsidiary agreement or agreements if any as from time to time may be made between the said Railway Company and the East India Company for the performance of any part or parts of the said Railway and works at any sum or sums of money to be specified in such subsidiary agreement or agreements in which case the expenses in respect of the same shall be allowed and taken at the sum or sums which shall be agreed on.

Capital Account.

12. **That** a Capital Account relating to the construction of the said Line of Railway and the works conveniences and telegraphs thereto be-

reference to the permanent maintenance thereof and its protection from injury or destruction by inundations tempests or other causes whatsoever and such Railway shall be made at such gradients and shall be furnished with rails of such weight and strength and laid down and secured in such manner and shall consist either of a single or double line of Railway as the East India Company shall in writing direct and shall if required by the East India Company and at such time or times as they shall in writing require be provided with an Electric Telegraph constructed along all or such part or parts of the said Railway and upon such principle and under such regulations as to its use and the terms of its use as the East India Company shall in writing direct or approve of and the said Railway Company shall from time to time attend to execute and perform all such directions in writing as may from time to time be given by the East India Company for any deviations from or alterations in any directions or requisitions previously made or given with respect to the premises. And the said Railway Company shall so soon as the said Railway shall be completed for such a distance as in the opinion of the East India Company shall be desirable open the same for the conveyance of Passengers and Goods.

Opening.

5. **That** it shall be lawful for the East India Company from time to time by notice in writing to the said Railway Company to require any specified part or parts of the said Line of Railway to be completed as aforesaid and to be opened for the conveyance of Passengers and goods before the remaining part or parts thereof shall be constructed.

Money (Capital.)

6. **That** the said Railway Company shall pay into the Treasury of the East India Company in London the sum of three million two hundred and fifty one thousand eight hundred and ninety seven pounds making together with the sum of Seven hundred and forty eight thousand one hundred and three pounds which has already been paid the sum of (£4,000,000,) Four Million Pounds by the instalments and at the times to be agreed upon until the whole of the said sum of Four million pounds sterling shall have been paid up which payments may be made in sums of not less than Five thousand pounds each in London provided that if the said Railway Company shall receive any portions of their Capital already subscribed or hereafter to be subscribed in India it shall be lawful for them to pay the amount so received in sums of not less than Ten thousand Rupees into the Treasury at Madras in or towards satisfaction of the instalments aforesaid and the acknowledgment of such respective payments there shall when produced to the East India Company in London be considered and taken in part satisfaction of the said sum of Four million pounds at the exchange of One shilling and ten pence for each Company's rupee. Provided always that such payments into the Treasury at Madras shall never exceed the amounts which may from time to time be required for expenditure in India such limit being determined upon by the East India Company.

Drafts in Capital.

7. **That** as often as and when any money shall be required by the said Railway Company for any purposes sanctioned by the East India Company and in reference to the particular sums from time to time required only so far as such purposes shall have been performed to the satisfaction of the East India Company or when any money shall be required for the performance of works sanctioned by the East India Company while the same shall be in course of execution the same may be drawn in such sums as shall from time to time be necessary by the said Railway Company in London or at Madras from the Treasury of the East India Company or the Government of India according to such equitable arrangements as shall be made from time to time with the East India Company for that purpose but ten days notice of every such draft or proposed draft shall be given to the said Treasuries respectively and all sums of money which shall be so drawn at Madras shall be set off at the exchange of One shilling and ten pence for each Company's rupee against the said sum of four million pounds sterling or so much thereof as shall have been paid into the Treasury of the East India Company as aforesaid and the said Railway Company shall not in any case be entitled to draw upon the Treasury in London or at Madras to an extent greater than the balance in their favor for the time being.

Plant Fares and Tolls.

8. **That** when and so soon as the whole Line of Railway (including the Experimental Section thereof) or any part or parts thereof which shall have been required by the East India Company to be completed before the construction of the other parts shall be completed and ready to be opened for the use of the Public and so from time to time as any such part thereof shall be so completed and ready to be opened the said Railway Company shall and will subject to the supervision and control hereinafter mentioned provide to the satisfaction of the East India Company a good and sufficient working stock of Engines Carriages and other plant and machinery for working the said Railway or such part or parts thereof as shall have been completed as aforesaid and carrying on the business and traffic of the same and the said Railway Company shall and will forthwith commence and carry on the business of Common Carriers of Goods and Passengers upon the said Railway and for that purpose shall cause to be run on the said Railway so many Trains at such times and at such rates of speed and between such places and with such conveniences and accommodations as the East India Company shall from time to time require. And the said Railway Company shall and will allow the use of the said Railway to the Public on such terms as shall be approved by the East India Company and the said Railway Company shall be authorized and empowered to charge such fares for the carriage of Passengers and goods and such Tolls for the use of the said Railway as shall have been approved by the East India Company. And shall not in any case charge any higher or different fares or tolls whatsoever without such approval being first obtained but such fares or tolls shall when such net receipts as are hereinafter mentioned shall in any year have exceeded ten per cent upon the outlay be reduced

in accordance with any requisition of the East India Company in that behalf but only with a view of limiting the said fares and tolls so far that the net receipts shall not exceed ten per cent as aforesaid.

9. **That** upon the completion of the whole of the said Line of Railway or of any part or parts thereof which shall have been required by the East India Company to be completed before the construction of the remaining part the East India Company shall and will grant to the said Railway Company a Lease of or otherwise secure to them a right and title to the land which shall have been provided under the provisions in the said Indenture of the twenty second day of December One thousand eight hundred and fifty two and in these presents respectively contained or of so much thereof as shall be required for the completed Line and for the works and conveniences thereto belonging for a term of Ninety nine years commencing from the day of the date of these Presents unless the same shall be sooner determined under the provisions herein contained. And the East India Company shall guarantee to the said Railway Company the quiet and undisturbed possession of such land but shall not be called upon to shew any title thereto.

Supervision.

10. **That** the said Railway Company and their Officers Servants and Agents as also their accounts and affairs shall in all things be subject to the superintendence and control of the East India Company as well in England or elsewhere and in particular that no Bye Laws Contracts orders directions proceedings works or undertakings acts matters or things whatsoever shall be made done entered into commenced or prosecuted by or on the part of the said Railway Company unless previously sanctioned in writing by the East India Company or in some other manner to be prescribed by them and that no monies shall be raised by the said Railway Company by any other means than by calls upon or payments in respect of the shares of the same Company without the sanction of the East India Company in writing and no extension in the number of shares in the said Railway Company or in the amount of its Capital shall be made unless sanctioned in like manner. And that it shall be lawful for the East India Company from time to time to give to the said Railway Company their Officers Servants and Agents all such orders and directions as the East India Company shall from time to time think fit with reference to the Railway and works to which this present Contract relates and with reference to the manner and times of executing the same and with reference to any Contracts orders and directions to be entered into made or given with regard thereto and otherwise with reference to the same all which Contracts orders and directions shall be executed and followed by the said Railway Company to the satisfaction of the East India Company the costs and expenses of the same which shall have been allowed and sanctioned by the East India Company being paid out of the said Capital of the said Railway Company. And that for better enabling the East India Company to exercise and control the direction intended to be hereby secured the

said Railway Company shall record and keep in proper books for that purpose full and particular accounts of all their transactions and proceedings including full and true minutes of all their meetings of Directors communications with India and correspondence so as at all times to exhibit thereby fully and truly the state of their affairs and proceedings and that the East India Company and any person or persons appointed by them in that behalf shall at all reasonable times have free access to all the books accounts papers and documents of the said Railway Company except Communications between the said Railway Company and their legal advisers and power to make copies of or extracts from the same whether such books accounts papers and documents relate to the Extension Railway and works aforesaid or to any other matters or things whatsoever in which the said Railway Company shall or may be interested and for the purposes aforesaid it shall be lawful for the East India Company from time to time to appoint any one person not being a Shareholder in the said Railway Company to be an Ex-officio Director of the said Railway Company which Director if and when appointed shall rank as and be one of the Board of Directors of the said Company and be entitled in all things to act as such and to exercise at his discretion a right of veto in all proceedings whatsoever at Boards of the said Directors except proceedings for the purpose of communicating with the legal advisers of the Company and shall not be removable except by order of the East India Company and shall in case the whole number of Directors shall at the time of his appointment be filled up come and be in the place of the Director who shall retire from the direction according to the decision of the Board such decision being taken by ballot but such official Director shall not be entitled to any salary from the said Railway Company. **Provided always** that nothing hereinbefore contained shall authorize the East India Company to appoint any Officers or Servants of the said Railway Company except such Official Director as aforesaid.

Sanction of Expenditure.

11. **That** all the expenses of the said Railway Company shall from time to time be stated and submitted to the East India Company for their sanction and approval and as between the said Railway Company and the East India Company shall be allowed so far only as the same shall from time to time have been sanctioned and approved by the East India Company. **Provided always** that the last mentioned stipulation shall not interfere with any such subsidiary agreement or agreements if any as from time to time may be made between the said Railway Company and the East India Company for the performance of any part or parts of the said Railway and works at any sum or sums of money to be specified in such subsidiary agreement or agreements in which case the expenses in respect of the same shall be allowed and taken at the sum or sums which shall be agreed on.

Capital Account.

12. **That** a Capital Account relating to the construction of the said Line of Railway and the works conveniences and telegraphs thereto be-

longing and relating to the original cost of Engines carriages and the Plant and machinery shall be kept by the said Railway Company to which Account all monies paid by the said Railway Company the expenditure of which shall have received the sanction and approval of the East India Company shall from time to time be carried and when and so soon as the said Railway and works shall have been completed and furnished with the necessary rolling stock and plant the said Capital Account shall be made up and a statement shall be furnished to the East India Company of the aggregate amount of Capital which according to such account shall have been expended and such amount shall by examination of such account be ascertained and certified by the East India Company and thenceforth and from the opening of the said Line of Railway the cost of maintaining it with its machinery and stock in good working condition shall be payable by the Railway Company out of the revenue of the said Railway including any interest to be received from the East India Company as hereinafter is mentioned but upon any additions alterations or improvements such as shall properly be chargeable to the Capital Account being thereafter made with the sanction and approval of the East India Company to of or in the said Railway or the works conveniences or telegraphs thereto belonging or the Engines Carriages and other Plant and machinery the cost necessarily incurred in executing such additions alterations or improvements shall be added to the said Capital Account and the said Capital Account shall from time to time be made up and stated afresh as occasion shall require and be ascertained and certified accordingly.

Repair and maintenance of Rolling Stock.

13. **That** at all times during the said term of Ninety-nine years the said Railway Company shall keep the said Railway or so much thereof as shall be completed and opened for Traffic and the works and conveniences belonging thereto and the Telegraphs on the said Railway (if any) in a state of good repair and in good working condition to the satisfaction of the East India Company and shall keep the same fully provided with rolling stock and plant adequate to the services thereof to the satisfaction of the East India Company.

Revenue Account.

14. **That** the said Railway Company shall in such forms and under such heads or divisions as shall be prescribed by the East India Company keep accounts of all receipts and payments whatever in respect of their undertaking and business (except such receipts and payments as properly belong to the capital account hereinbefore agreed to be kept) and such accounts shall be called The Revenue Accounts of the Madras Railway Company and shall be made up half yearly to the Thirtieth day of June and the Thirty-first day of December in every year or to such other days in the year as the East India Company shall appoint and shall be regularly transmitted to the East India Company who shall be at liberty at all times in auditing the same accounts to make any corrections therein which may be necessary.

Deposit of Revenue and Drafts thereon.

15. **That** all monies whatever (except the monies covenanted by

this Agreement to be otherwise paid) received by or on account of the said Railway Company in India shall be paid at such times and in such manner as the East India Company shall direct without any deduction under any pretence whatever into the Treasury of the East India Company at Madras to an account to be kept separately and to be called The Revenue Account of the Madras Railway Company and when any money shall be required by the said Railway Company for any purposes sanctioned by the East India Company and in reference to the particular sums required only as far as the East India Company shall be satisfied that the work has been performed such money may be drawn by the said Railway Company according to such arrangements as shall from time to time be made with the East India Company for that purpose.

Guarantee of Interest.

16. **That** the East India Company shall in addition to the interest payable under the said Indenture of the twenty second day of December One thousand eight hundred and fifty two on the Capital raised and to be raised for the said Experimental Line from time to time during the said determinable term of Ninety nine years pay to the said Railway Company in London half yearly on the thirtieth day of June and the Thirty first day of December interest half yearly at the rate of Five pounds per cent per annum on the said first extension Capital of five hundred thousand pounds so raised for the said Extension Line or on such parts thereof as shall for the time being have been paid into the Treasury of the East India Company as aforesaid and shall also pay interest in like manner and on the same days at the rate of Four pounds fifteen shillings per cent per annum on the said Second Extension Capital of One million pounds sterling so created and raised on the said Ninth day of August last or on such parts thereof as shall for the time being have been paid into the Treasury of the East India Company as aforesaid and shall also pay on any further Capital to be created for completing the said Line such a rate of interest as may be mutually agreed upon such interest upon any part of the said Capital for the said Extension Line being considered in the first instance as running from the day on which the same part shall have been so paid into the Treasury of the East India Company.

Excess above £4,000,000.

17. **That** if the expenditure of the said Railway Company in making the said extension Railway and works or otherwise in respect of the matters to be included in the said Capital Account shall exceed the said sum of Four million pounds the monies necessary to meet such excess shall be raised and paid by the said Railway Company into the Treasury of the East India Company and the said East India Company shall from time to time during the then residue of the said determinable term of Ninety-nine years pay to the said Railway Company half yearly on the days aforesaid interest on such excess at such rate as may be agreed upon not being less than Four pounds ten shillings per cent per annum on the same monies to be calculated from the respective times when they shall have been so paid into the Treasury of the East India Company as aforesaid.

Application of Profits.

18. **That** so soon as the said Railway Company shall begin to work the said whole Line of Railway or any part thereof the net receipts which shall be realized during any half year or from the commencement up to the first of the aforesaid half yearly days on the said Railway after deducting therefrom all sums which shall have been expended in the repairs and maintenance of the said Railway and works and the repair and restoration of the Rolling Stock and Plant in the management and conduct of the said Railway Company and its affairs and which shall have been allowed or sanctioned by the East India Company and also deducting such sum if any as with the consent of the East India Company may be appropriated and set apart for repairing and making good any deterioration of the Railway and works or Stock and Plant and for the current expenses of working the said Railway (the money to be so appropriated and set apart as a reserve fund or any part thereof being invested and accumulated or otherwise dealt with till required for application in any manner the said Railway Company may think fit subject to the sanction and approval of the East India Company shall be applied in the first place in or towards discharge of the interest which shall be payable by the East India Company under their Covenants in the said Indenture of the twenty second day of December One thousand eight hundred and fifty two and hereinbefore respectively contained in respect of such half year so as to exonerate the East India Company so far as the same net receipts will extend from the payment of such interest respectively the money to be so applied being reckoned at the exchange of One shilling and ten pence per Company's rupee and the residue (if any) of such net receipts shall be applied in manner following (that is to say) One moiety thereof shall be forthwith applied in the payment of such sums of money as shall at any previous time or times have been paid by the East India Campany to the said Railway Company under the Covenants in the said Indenture of the twenty second day of December One thousand eight hundred and fifty two and hereinbefore respectively contained by way of interest as aforesaid together with simple interest on the sums of money paid under the Covenants in the said Indenture of the twenty second day of December One thousand eight hundred and fifty two and hereinbefore mentioned at the rate of Four pounds ten shillings per centum per annum from the time of payment respectively and such moiety shall be paid into the Treasury of the Government of India in India and shall be reckoned at the said rate of Exchange and shall be applied in reduction and discharge of the whole of the interest payable to the East India Company on the said sums of money respectively before the same shall be applied in liquidation of any part of the principal thereof and the other moiety of the said surplus net receipts shall be paid to or applied for the use and benefit of the said Railway Company and if at any time during the said determinable term of Ninety nine years the whole of the monies previously paid by the East India Company as aforesaid with interest thereon as aforesaid shall have been paid and discharged then for every half year during such time and so often as the same shall happen the said Railway Company shall be entitled for their own use and benefit to the entirety of the said surplus net receipts or (as the case may be) so much thereof as shall remain after such repayment and discharge as last aforesaid shall have been made.

Mails and Troops.

19. **That** the said Railway Company will at all times during the said determinable Term convey on the said Railway the Government Mails and Post Bags and the Guards and other Servants of the Post Office in charge thereof free of charge and when they are on duty all Officers and persons in the administration of the Post Office also free of charge and will also convey on the said Railway when they are on duty the Troops both Horse and Foot as well those of Her Majesty as those of the East India Company and all other persons to whom the provisions of the Mutiny Acts for the time being in force for the Queen's Forces, and for the East India Company's Forces respectively shall be applicable and all Artizans on the business of the East India Company: the Officers and persons of similar station in life to be entitled to travel in First Class Carriages at second class fares, and the Troops and European Artizans in second class Carriages at the lowest fares and all other persons at the lowest fares and will also convey on the said Railway all general stores belonging to the East India Company and all Guns ammunition horses and other animals used for military purposes and all military stores carriages waggons camp equipage and equipments whatsoever at the lowest rate for the time being chargeable for the carriage of such animals goods and merchandize the several privileges of conveyance and carriage hereby stipulated for being at all times to be used and enjoyed in preference to and priority over the public use of the said Line of Railway for conveyance and carriage.

Ultimate rights of property.

20. **That** at the end of the said Term of Ninety-nine years by effluxion of time the land provided in pursuance of the said Indenture of the twenty second day of December one thousand eight hundred and fifty two and to be provided as aforesaid with the Railway thereon and all buildings works fixed machinery telegraphs and conveniences whatsoever, shall revert to and become the property of the East India Company on account of the Government of India free from all debts and charges whatever (save such as shall have been sanctioned by the East India Company) and any Lands in Great Britain which may then be held by the said Railway Company for the purpose of their business shall be sold and the clear monies to be produced by such sale shall be paid to the East India Company on the same account and the said Railway Company shall deliver to the East India Company as their property on the same account all plans surveys sections books printings writings drawings and documents whatsoever, in anywise connected with the undertaking and affairs of the same Railway Company and the said Railway Company shall sell to the East India Company who shall be bound to purchase the same all the Engines Carriages Stock machinery and plant which shall then be used in working the said Railway or otherwise in connection therewith for such sum of money as

shall be the fair value thereof, the same to be determined in case of a difference by a valuation to be made by Referees or their umpire to be respectively appointed in the usual manner and the East India Company shall pay to the said Railway Company in London the sum of money to be so determined within four months after such determination with interest at the rate of Four pounds ten shillings per cent per annum from the expiration of the said term of Ninety-nine years.

Surrender.

21. **That** after any portion of the said line of Railway including the experimental section thereof shall have been finished and in work for three calendar months at least it shall be lawful for the said Railway Company then or at any time thereafter to give notice in writing of their intention to surrender and relinquish the Railway and works of the Company to the East India Company on any day to be mentioned in such notice, so that such notice be served at least six calendar months before that day both on the East India Company in London and also on the Secretary of Government at Madras and in case of such notice being given the said Railway Company shall at the expiration thereof surrender and relinquish the said Railway and works accordingly together with the Telegraphs (if any) and shall with all convenient speed sell any Lands in Great Britain which may then be held by the said Railway Company for the purpose of their business and pay the clear monies to be produced by such sale to the said East India Company and shall deliver to the East India Company the Engines Carriages Stock plant and machinery belonging to the said Railway and works and all plans, surveys sections, printings writings and documents whatsoever connected with the undertaking and affairs of the said Railway Company and the East India Company shall be bound to accept the premises to be so surrendered and delivered it being expressly agreed that the said Railway works Telegraphs Engines Carriages Stock, plant and machinery shall at the time of such Surrender and delivery be in good working order according to the Covenants in that behalf in the said Indenture of the twenty second day of December One thousand eight hundred and fifty two and hereinbefore respectively contained on the part of the said Railway Company, and immediately after such surrender and delivery being made the East India Company shall be bound to pay to the said Railway Company the Capital expended by the said Railway Company upon the whole line of Railway works and premises so to be surrendered and delivered, such expended Capital being ascertained and certified in the manner in the said Indenture and hereinbefore respectively mentioned together with such parts (if any) of the same Capital as shall remain in the hands of the East India Company and discharge and indemnify the said Railway Company from all debts and liabilities incurred with the sanction of the East India Company and thereupon the Covenants in the said Indenture and hereinbefore respectively contained for payment of interest shall cease as from the day upon which the East India Company shall be

bound to accept the said Railway and works and all claims by the East India Company on account of interest or otherwise on the said Railway Company shall also cease except that the East India Company shall be at liberty to retain out of any moneys payable to the said Railway Company, the amount of all other claims or demands of any sort then existing against the said Railway Company on their Revenue Account in respect of their undertaking and which shall not be shewn to have been fully satisfied and discharged until the same shall have been shewn to be so satisfied and discharged. **Provided also** that the East India Company shall not be liable to refund any sum expended in the maintenance or working of the Line after the same shall have been opened, which sum is to be provided by the Railway Company out of the Revenues of the line and interest as hereinbefore provided or otherwise.

Purchase.

22. **That** at any time within six calendar months after the expiration of the first twenty five years of the said term of ninety nine years or at any time within six calendar months after the expiration of the first fifty years of the same term it shall be lawful for the East India Company to give notice to the said Railway Company in London and at Madras of their intention to purchase the Railway and works constructed in pursuance of the said Indenture of the twenty second day of December One thousand eight hundred and fifty two and of these Presents respectively together with the Telegraphs (if any) and the Engines Carriages Stock plant and machinery belonging to the said Railway and works but subject to such debts and liabilities (if any) as may have been incurred to the East India Company (exclusive of any arrears of the interest on the Capital of the said Railway Company paid by the East India Company under the conditions of this agreement or of the said Indenture of the Twenty second day of December One thousand eight hundred and fifty two which shall not have been repaid) or to any person or persons with the sanction of the East India Company and to interest on such of the said debts as carry interest from the day on which they shall take possession of the said Railway but not from any earlier time and thereupon at the half yearly day next but one following such notice the land already provided or to be provided as aforesaid with the Railway thereon and all buildings works, fixed machinery telegraphs and conveniences whatsoever shall revert to and become the property of the East India Company as the owners thereof by purchase on account of the Government of India, and in case any lands in Great Britain shall then be held by the said Railway Company for the purpose of their business the same shall be sold and the clear monies to be produced by such sale shall be paid to the East India Company and the said Railway Company shall at the same time deliver to the East India Company the engines carriages stock plant and machinery belonging to the said Railway and works and all plans surveys sections books printings drawings writings and documents whatsoever in anywise connected with the undertakings and affairs of the said Railway Company and the East

India Company shall be bound to pay in London on the said half yearly day for the purchase of all the same premises the full amount of all the value of all the shares and Capital Stock in the said Railway Company issued or created for the purposes of the said Indenture of the twenty second day of December one thousand eight hundred and fifty two and of this Contract calculated according to the mean market value in London of such shares or stock respectively during the three years immediately preceding the expiration of the said period of twenty five years or the said period of fifty years as the case may be and shall also be bound to indemnify the said Railway Company against all such debts and liabilities if any as they may have incurred to or with the sanction of the East India Company and as shall be then subsisting and thereupon the Covenants in the said Indenture and hereinbefore contained for payment of interest shall cease.

Possession as remedy.

23. **That** if default shall be made by the said Railway Company in the raising and payment of the said sum of Four million pounds or any of the instalments thereof or such further Capital as shall be required for the construction of the said Railway or in the due application of any moneys drawn from the Treasury in London or in India as aforesaid, or in the execution of the said Railway and works conformably with the aforesaid Covenant in that behalf, or in case the said Railway shall not be worked to the satisfaction of the East India Company or in case of any other breach on the part of the said Railway Company of any of the Covenants herein or in the above recited Indenture of the twenty-second day of December One thousand eight hundred and fifty two contained (except such Covenants in the last mentioned Indenture contained as are merged in or superseded by any of the provisions herein contained) it shall be lawful for the East India Company on giving to the said Railway Company at Madras three calendar months' notice of their intention in that behalf to terminate the interest of the said Railway Company in the said Land and Railway Telegraphs and works to be taken and constructed under these Presents and also in the said Railway telegraphs and works appertaining to the said Experimental section and to assume possession of the said land railway telegraphs and works respectively and of all or any of the Engines carriages stock plant and machinery provided for the same and all plans surveys sections books printings drawings writings and documents whatsoever in anywise connected with the said line of railway including the said Experimental section thereof and in that case any lands in Great Britain which may then be held by the said Railway Company for the purpose of their business shall with all convenient speed be sold and the clear money to be produced by such sale shall be paid to the East India Company and in case of such notice being given the East India Company shall be liable to repay within six calendar months after its expiration to the said Railway Company in London the Capital expended by the said Railway Company upon the said Line and works so ascertained and

certified as in the said Indenture of the twenty-second day of December one thousand eight hundred and fifty two and hereinbefore respectively mentioned after a proper deduction for all debts and liabilities then affecting the said Railway Company or the property of the said Railway Company the moneys so to be repaid to include so much if any of the Capital of the said Railway Company as shall then remain in the hands of the East India Company and also to discharge exonerate and indemnify the said Railway Company from all debts obligations and liabilities for works and expenditure undertaken with the sanction of the East India Company to which the Capital raised shall not extend and thereupon the Covenants of the East India Company in the said Indenture and hereinbefore respectively contained for payment of interest shall cease and all claims by the East India Company on the said Railway Company shall also cease, the intention of this Indenture being that the Railway Company shall under all circumstances receive back their Capital expended with such sanction as aforesaid with interest at the rate or respective rates agreed upon and that such re-entry and assumption of possession and the exercise by the East India Company of the powers and authorities by this Clause given to them shall be the only penalty to which the Railway Company shall be liable in case of default in raising sufficient Capital for the purposes aforesaid or in constructing and working the said Railway to the satisfaction of the East India Company.

Repairs by the East India Company.

24. **That** if default shall be made by the said Railway Company after the line or any portion thereof shall have been opened in their Covenant to keep the said Railway and works or such part thereof as shall have been completed and opened for traffic in repair and condition for the space of One Calendar month next after notice in writing in that behalf from the East India Company to the said Railway Company at Madras it shall be lawful for the East India Company by their Agents to enter on the Railway and works and do and execute all such works as may be required for fulfilling the said Covenant and to charge the expences of the same against the Railway Company by setting off the amount of such expences against any monies then payable or which shall thereafter become payable by the East India Company for interest in manner in the said Indenture of the twenty second day of December One thousand eight hundred and fifty two and hereinbefore respectively mentioned which interest shall in such case to that extent be respectively considered as paid and satisfied by such set off or retainer and shall for all the purposes of the said Indenture and of these Presents respectively be regarded and considered as interest actually paid by the East India Company to the said Railway Company in pursuance of their Covenants in that behalf in the said Indenture and hereinbefore respectively contained and if such expences shall not be satisfied by such set off and retainer as aforesaid then the East India Company may set off and deduct the same against and from all or any part of any monies which shall on any account whatever be or become payable by the East India Company to the said Railway Company.

Annuity Commutation.

25. **That** in every or any case in which under the provisions of these presents the East India Company shall before the expiration of the said term of Ninety nine years, become bound to repay the Capital expended by the said Railway Company upon the said Line of Railway as aforesaid or to pay for the purchase of the said Railway works and Stock, it shall be lawful for the East India Company instead of paying a gross sum of money in respect of the premises to declare by notice to the said Railway Company in London their option to pay an Annuity to be reckoned from the time when the gross amount would be payable and to continue during the residue of the said term of Ninety nine years. And in that case such Annuity shall be payable in London on such two half yearly days in the year as shall be selected by the East India Company in that behalf with a fractional part for any broken half year the rate of Interest which shall be used in calculating such an Annuity being determined by the average rate of Interest during the preceding two years received in London upon public obligations of the East India Company and which shall be ascertained by reference to the Governor or Deputy Governor of the Bank of England for the time being. **Provided always** that the aforesaid option shall not apply to the underdrawn portion of the Capital of the said Railway Company which portion is to be repaid to the said Railway Company with interest under the provisions in that behalf hereinbefore contained in case the said Railway Company shall relinquish or be deprived of the said Railway and works as aforesaid.

Return of Surplus.

26. **That** if after the said extension Railway and Works including the Telegraphs if required shall have been completed and furnished with adequate working stock the whole of the Capital raised by the said Railway Company shall not have been required for the purpose of the said Capital Account the surplus thereof shall to the extent to which the same shall have been received by the said East India Company be refunded by the East India Company to the said Railway Company in London with such interest as shall be due on such Capital at the time and thereupon the aforesaid Covenants for payment of interest shall apply only to the amount of the said Capital Account and which last mentioned amount shall for all the purpose of these Presents be considered as substituted in lieu of the amount of the said Capital of the said Railway Company.

Sanction of the East India Company.

27. **That** any notice direction approval or sanction to be given or signified on the part of the East India Company for any of the purposes of these Presents shall be sufficient and binding if signed by the Secretary or Deputy Secretary of the East India Company in London or by the Secretary of the Government at Madras or by any other Officer or Servant of the East India Company duly authorized to act on behalf of the East India Company in respect of the matters to which the same shall relate. And that the East India Company shall not in any case be bound in respect of the matters aforesaid unless by some writing signed in the manner before mentioned.

Railway Office in Madras and Agent.

28. **That** the said Railway Company shall keep an Office of the said Railway Company at all times hereafter during the said term established in Madras and the said Railway Company shall keep at the said Office an authorized Agent or Agents with whom the said East India Company and Government of Madras may communicate on affairs concerning the said Railway and all drafts drawn by the said Agent or Agents and all receipts of and acts done by such Agent or Agents on behalf of the said Railway Company or concerning the said Railway works and Stock shall be binding on the said Railway Company and every notice to be given to the said Railway Company shall be sufficiently given if left at the said Office or personally served on such Agent or Agents.

Legislation in India.

29. **That** the said East India Company shall promote the passing by the Governor General of India in Council of any Act or Acts which shall be necessary or convenient for enabling the said Railway Company to fulfil in India the object of their undertaking according to the terms and provisions of these Presents.

30. **That** such of the Covenants terms and provisions of the said Indenture of the twenty second day of December One thousand eight hundred and fifty two as are inconsistent with any of the terms and provisions of this present Contract or as relate to objects which are provided for by these Presents are and shall be deemed to be superseded by this present Contract and in other respects the Covenants terms and provisions of the said Indenture so far as they are now necessary or capable of taking effect shall be and remain in full force as if this Contract had not been made.

In witness whereof the said East India Company and the said Railway Company have hereunto caused their respective Common Seals to be affixed the day and year first above written.

CONTRACT

FOR

THE CONSTRUCTION

OF

A LINE OF RAILWAY

TO

BELLARY.

DATED 13TH AUGUST 1858.

This Indenture made the Thirteenth day of August one thousand eight hundred and fifty-eight **between** THE EAST INDIA COMPANY of the one part and THE MADRAS RAILWAY COMPANY incorporated by Act of Parliament made and passed in the sixteenth year of the reign of Her present Majesty intituled "An Act for incorporating the Madras Railway Company and for other purposes connected therewith" of the other part **Whereas** the said Madras Railway Company were incorporated by the said Act of Parliament with a Capital of Five hundred thousand pounds for the purpose of making and constructing working and maintaining such Railway or Railways in the East Indies including all necessary accessary or convenient extensions branches stocks and works as might be agreed upon by the said Railway Company and the East India Company and by the said Act the said Railway Company were empowered from time to time to enter into and conclude with the East India Company on account of the Government of India such Contracts Agreements and arrangements as the respective parties might think fit and agree upon for making any Railway or Railways in India and any Telegraphs connected therewith and for maintaining and working the same **And whereas** by an Indenture bearing date the twenty-second day of December one thousand eight hundred and fifty-two and made between the East India Company of the one part and the said Madras Railway Company of the other part It was amongst other things agreed that the said Railway Company should construct and open an experimental Line of Railway to commence at or near Madras and to take a direction towards the Western Coast of India at an estimated cost of Five hundred thousand pounds sterling or thereabouts and that the Land required for the purposes of the said Railway should be provided by the East India Company And that the sum of Five hundred thousand pounds sterling and such further sums (if any) as might be required for the completion of the said experimental Line of Railway should be paid by the said Railway Company to the said East India Company to be from time to time drawn out for the puposes of the work And that the said Experimental Line when completed should be leased to the said Railway Company for the term of ninety-nine years from the date of the said Indenture determinable by surrender or purchase as in the said Indenture mentioned and that the said Line of Railway should during such determinable term be kept in good repair and working condition by the said Railway Company and that the East India Company should pay to the said Railway Company during the said determinable term interest at the rate of Four pounds ten shillings per centum per annum on the monies so paid to the East India Company And in the said Indenture are contained provisions merged in or superseded by the provisions for the like purposes contained in the hereinafter recited Indenture of the nineteenth day of December one thousand eight hundred and fifty-five **And whereas** with a view to the agreement next hereinafter stated the said Railway Company afterwards created and raised an additional Capital of Five hundred thousands pounds called the First Extension Capital on which the East India Company agree to guarantee interest at the rate of Five pounds per Cent per Annum and they afterwards created and raised a further additional Capital of One million pounds under the Title of "The Second Extension Capital" on which the East India Company agreed to guarantee interest at the rate of Four pounds fifteen shillings per cent. per annum **And whereas** by an Indenture bearing date the nineteenth day of December one thousand eight hundred and fifty-five and made between the East India Company of the one part and the said Madras Railway Company of the other part It was amongst other things agreed that the said Railway Company should construct and open an extension Line of Railway commencing at some point in the said experimental Line and to proceed to the Western Coast of India with a branch to Bangalore and the foot of the Hills towards Ootacamund at an estimated cost of Four million pounds sterling or thereabouts and that the land required for the purpose of the said Extension Railway should be provided by the East India Company and that the sum of Four million pounds and such further sums (if any) as might be required for the completion of the said Extension Railway should be paid by the said Railway Company to the East India Company to be from time to time drawn out for the purposes of the work and that upon the completion of the whole line of Railway (including the experimental Section) or of any part or parts thereof which should have been required by the East India Company to be completed before the construction of the remaining part of the same the land should be leased to the said Railway Company for the term of Ninety-nine years from the date of the now reciting Indenture of Agreement determinable by Surrender or Purchase as therein mentioned and should during such determinable term be kept in good repair and working condition by the said Railway Company And that the East India Company should in addition to the interest payable under the said Indenture of the twenty-second day of December one thousand eight hundred and fifty two as aforesaid pay to the said Railway Company during the said determinable term interest at the rate of Five pounds per cent per annum on the said first extension capital of Five hundred thousand pounds and interest at the rate of Four pounds fifteen shillings per cent per annum on the said second extension Capital of One million pounds or on such parts of such sums respectively for the time being paid to the East India Company as aforesaid and should also pay on any further capital which should be created for completing the said Extension Line such a rate of interest as might be mutually agreed upon and in the said Indenture were contained provisions with reference to the said Experimental Line and Extension Line to the same or like effect as the several Clauses and provisions hereinafter contained **And whereas** in or about the month of March one thousand eight hundred and fifty-six the said Railway Company created and issued for the purposes of the said Extension Line a further capital of One million pounds sterling under the title of Third Extension Capital on which the East India Company agreed to guarantee interest at the rate of Five pounds per Cent per Annum **And whereas** in or about the said month of June One thousand eight hundred and fifty-six the said Railway Company agreed with the East India Company for the construction of a new Line of Railway from or near Madras by Cuddapah to a junction with an intended Line of Railway from Bombay at or near Bellary **And whereas** on the thirty-first day of July One thousand eight hundred and fifty-six the said Railway Company created and issued for the purposes of the said new line of Railway a further capital of One million pounds under the title of the Fourth Extension Capital on which the East India Company agreed to guarantee interest at the rate of Five per Cent per Annum **And whereas** it is intended that the Capital Account and the Revenue Account of the said intended new Line of Railway shall be kept entirely distinct and separate from the Capital Account and the Revenue Account of the said experimental and Extension Lines and that the said intended new Line of Railway shall be con-

structed and maintained as a separate and distinct Line of Railway and be subject as respects the capital and revenue thereof and the payment of interest on capital and the provisions for the surrender and purchase of the said Line and all other the terms and provisions affecting the said Line to the provisions of this present Contract solely and independently of the hereinbefore recited Indentures of the twenty-second day of December one thousand eight hundred and fifty-two and the nineteenth day of December one thousand eight hundred and fifty-five and that such Indentures respectively and the said Experimental and extension Lines shall not be affected by any of the provisions hereinafter contained **And whereas** the expressions "the said Line of Railway" or "the said Railway" whenever the same are hereafter used are intended to mean the Line of Railway for which this present contract is entered into unless there be something in the subject or context repugnant to such construction **Now this Indenture Witnesseth** that in consideration of the premises The said Madras Railway Company **Do** hereby for themselves and their Successors so far as the covenants and agreements hereinafter contained are to be observed and performed by them Covenant with the East India Company and their Successors And the said East India Company **Do** hereby for themselves and their Successors so far as the covenants and agreements hereinafter contained are to be observed and performed by them covenant with the said Madras Railway Company and their Successors in manner following that is to say.

1. **That** is shall be lawful for the East India Company to determine fix upon and select the route and direction of a Line of Railway to commence at or near Madras and to proceed in a Northwesterly direction to or near Bellary with the object of joining a Line of Railway which is in progress from Bombay towards Madras and such selected Line of Railway of the estimated cost to be approved of by the East India Company shall be completed by the said Railway Company and opened for the conveyance of Passengers and Goods with all practicable speed — Selection of Line.

2. **That** the East India Company shall give notice to the said Railway Company of the Line when so selected as aforesaid or of any part or parts thereof as such part or parts shall from time to time be fixed upon and it shall be lawful for the East India Company from time to time to alter the said route or direction or to extend or limit the same as they shall think fit after such notice as aforesaid **Provided always** that if any such alteration shall be made after the Railway shall have been commenced in a previously selected route or direction the expense of the said Railway or in any way incident to such alteration shall be considered as properly incurred by the said Railway Company. — Notice of Line.

3. **That** the East India Company shall after the selection of the route and direction of the said Line of Railway or of any part or parts thereof and from time to time as may be necessary provide the Land which shall be required for the said Railway for the part or parts thereof so selected and the works connected therewith and for proper Stations offices warehouses and other conveniences for the same and shall give to the said Railway Company possession thereof and that all land of which possession shall be so given to the said Railway Company which shall not be permanently required for the purposes of the said Railway Company shall as soon as practicable be restored to the East India Company. — Land.

4. **That** the said Railway Company shall on receiving possession of the said Land or any part thereof forthwith and subject to the supervision and control herein- — Works.

after prescribed commence and proceed with diligence in the construction of the said Line of Railway and of all such stations offices warehouses fixed machinery and other works and conveniences as in the opinion of the East India Company (such opinion to be certified in writing) shall be necessary or expedient as well with reference to the construction of the said Railway and the working thereof as with reference to the permanent maintenance thereof and its protection from injury or destruction by inundations tempests or other causes whatsoever and such Railway shall be made at such gradients and shall be furnished with rails of such weight and strength and laid down and secured in such manner and shall consist either of a single or a double Line of Railway as the East India Company shall in writing direct and shall if required by the East India Company at such time or times as they shall in writing require be provided with an Electric Telegraph constructed along all or such part or parts of the said Railway and upon such principle and under such regulations as to its use and the terms of its use as the East India Company shall in writing direct or approve of And the said Railway Company shall from time to time attend to execute and perform all such directions in writing as may from time to time be given by the East India Company for any deviations from or alterations in any directions or requisitions previously made or given with respect to the premises And the said Railway Company shall so soon as the Railway shall be completed for such a distance as in the opinion of the East India Company shall be desirable open the same for the conveyance of Passengers and goods.

Opening.

5. **That** it shall be lawful for the East India Company from time to time by notice in writing to the said Railway Company to require any specified part or parts of the said Line of Railway to be completed as aforesaid and to be opened for the Conveyance of Passengers and goods before the remaining part or parts thereof shall be constructed and such requisitions shall be complied with and fulfilled by the said Railway Company.

Money (Capital.)

6. **That** the said Railway Company shall pay into the Treasury of the East India Company in London to a separate account to be called "The Bellary Railway Account" the sum of Five hundred and seventy-eight thousand four hundred and sixty pounds making together with the sum of Four hundred and twenty-one thousand five hundred and forty pounds which has already been paid the sum of One Million pounds sterling by the instalments and at the times the East India Company may require until the whole of the said sum of One million pounds sterling shall have been paid up which payments may be made in sums of not less than Five thousand pounds each in London provided that if the said Railway Company shall receive any portions of their Capital already subscribed or hereafter to be subscribed for the purposes of this contract in India it shall be lawful for them to pay the amount so received in sums of not less than Ten thousand Rupees into the Treasury of Madras in or towards satisfaction of the instalments aforesaid and the acknowledgment of such respective payments there shall when produced to the East India Company in London be considered and taken in part satisfaction as on the ~~days~~ of payment thereof respectively of the said sum of One million pounds at the Exchange of One shilling and ten pence for each Company's Rupee **Provided always** that such payments into the Treasury at Madras shall never exceed the amount which may from time to time be required for expenditure in India such limit being determined upon by the East India Company.

Drafts on Capital.

7. **That** as often as and when any money shall be required by the said Railway Company for any purposes in connection with the said Line of Railway sanctioned by the East India Company and in reference to the particular sums from time to time required only so far as such purposes shall have been performed to the satisfaction of the East India Company or when any money shall be required for the performance of works in connection with the said Line of Railway sanctioned by the East India Company while the same shall be in course of execution the same may be drawn in such sums as shall from time to time be necessary by the said Railway Company in London or at Madras from the Treasury of the East India Company or the Government of India according to such arrangements as shall be made from time to time with the East India Company for that purpose but ten days' notice of every such draft or proposed draft shall be given to the said Treasuries respectively and all sums of money which shall be so drawn at Madras shall be set off at the Exchange of one shilling and ten pence for each Company's Rupee against the monies for the time being paid into the Treasury of the East India Company and the said Railway Company shall not in any case be entitled to draw upon the Treasury in London or at Madras to an extent greater than the balance in their favor for the time being in respect of the capital raised for the purposes of this present contract.

Plant Fares and Tolls.

8. **That** when and so soon as the said Line of Railway or any part or parts thereof which shall have been required by the East India Company to be completed before the construction of the other part shall be completed and ready to be opened for the use of the Public and so from time to time as any such part thereof shall be so completed and ready to be opened the said Railway Company shall and will subject to the supervision and control hereinafter mentioned provide to the satisfaction of the East India Company a good and sufficient working stock of Engines Carriages and other plant and Machinery for working the said Railway or such part or parts thereof as shall have been completed as aforesaid and carrying on the business and traffic of the same And the said Railway Company shall and will forthwith commence and carry on the business of common Carriers of Goods and Passengers upon the said Railway and for that purpose shall cause to be run on the said Railway so many Trains at such times and at such rates of speed and between such places and with such conveniences and accommodation as the East India Company shall from time to time require And the said Railway Company shall and will allow the use of the said Railway to the public on such terms as shall be approved by the East India Company and the said Railway Company shall be authorised and empowered to charge such fares for the carriage of passengers and goods and such tolls for the use of the said Railway as shall have been approved by the East India Company and shall not in any case charge any higher or different fares or tolls whatsoever without such approval being first obtained but such fares or tolls shall when such net receipts as are hereinafter mentioned shall in any year have exceeded ten per cent upon the outlay be reduced in accordance with any requisition of the East India Company in that behalf but only with a view of limiting the said fares and tolls so far that the net receipts shall not exceed ten per cent as aforesaid.

Title to Land.

9. **That** upon the completion of the said Line of Railway or of any part or parts ereof which shall have been required by the East India Company to be completed efore the construction of the remaining part the East India Company shall and will ant to the said Railway Company a Lease of or otherwise secure to them a right d title to the land which shall have been provided under the provisions in these

presents contained or of so much thereof as shall be required for the completed line and for the works and conveniences thereto belonging for a term of Ninety-nine years commencing from the day of the date of these presents unless the same shall be sooner determined under the provisions herein contained And the East India Company shall guarantee to the said Railway Company the quiet and undisturbed possession of such land but shall not be called upon to shew any title thereto.

Supervision. 10. **That** the said Railway Company and their Officers Servants and Agents as also their accounts and affairs shall in all things be subject to the superintendence and control of the East India Company as well in England as elsewhere and in particular that no Bye Laws Contracts orders directions proceedings works or undertakings acts matters or things whatsoever shall be made done entered into commenced or prosecuted by or on the part of the said Railway Company unless previously sanctioned in writing by the East India Company or in some other manner to be prescribed by them And that no monies shall be raised by the said Railway Company by any other means than by calls upon or payments in respect of the shares in the same Company without the sanction of the East India Company in writing and no extension in the number of shares in the said Railway Company or in the amount of its capital shall be made unless sanctioned in like manner And that it shall be lawful for the East India Company from time to time to give to the said Railway Company their Officers Servants and Agents all such Orders and directions as the East India Company shall from time to time think fit with reference to the Railway and works to which this present contract relates and with reference to the manner and times of executing the same and with reference to any contracts orders and directions to be entered into made or given with regard thereto and otherwise with reference to the same all which Contracts orders and directions shall be executed and followed by the said Railway Company to the satisfaction of the East India Company the costs and expences of the same which shall have been allowed and sanctioned by the East India Company being paid out of the Capital of the said Railway Company raised for the purposes of this present contract and paid into the Treasury of the East India Company and that for better enabling the East India Company to exercise the control and direction intended to be hereby secured the said Railway Company shall record and keep in proper books for that purpose full and particular accounts of all their transactions and proceedings including full and true minutes of all their meetings meetings of Directors Communications with India and correspondence so as at all times to exhibit thereby fully and truly the state of their affairs and proceedings And that the East India Company and any person or persons appointed by them in that behalf shall at all reasonable times have free access to all the books accounts papers and documents of the said Railway Company (except communications between the said Railway Company and their legal Advisers) and power to make copies of or extract from the same whether such books accounts papers and documents relate to the said Railway and works or to any other matters or things whatsoever in which the said Railway Company shall or may be interested and for the purposes aforesaid it shall be lawful for the East India Company from time to time to appoint any one person not being a shareholder in the said Railway Company to be an Ex-Officio Director of the said Railway Company which Director if and when appointed shall rank as and be one of the Board of Directors of the said Company and be entitled in all things to act as such and to exercise at his discretion a right of veto in all proceedings whatsoever at Boards of the said Directors (except proceedings for the

purpose of communicating with the legal advisers of the Company) and shall not be removable except by Order of the East India Company and shall in case the whole number of Directors shall at the time of his appointment be filled up come and be in the place of a Director who shall retire from the direction according to the decision of the Board such decision being taken by ballot but such Official Director shall not be entitled to any salary from the said Railway Company **Provided always** that nothing hereinbefore contained shall authorize the East India Company to appoint any Officers or servants of the said Railway Company except such Official Director as aforesaid **Provided also** that the above recited Indentures of the twenty-second day of December One thousand eight hundred and fifty-two and the nineteenth day of December one thousand eight hundred and fifty-five and these presents together shall not authorize the East India Company to appoint more than one person to be Official Director of the said Railway Company at any one time.

11. **That** all the expenses of the said Railway Company in respect of the said Line of Railway shall from time to time be stated and submitted to the East India Company for their sanction and approval and as between the said Railway Company and the East India Company shall be allowed so far only as the same shall from time to time have been sanctioned and approved by the East India Company **Provided always** that the last mentioned stipulation shall not interfere with any such subsidiary Agreement or Agreements (if any) as from time to time may be made between the said Railway Company and the East India Company for the performance of any part or parts of the said Railway and works at any sum or sums of money to be specified in such subsidiary Agreement or Agreements in which case the expences in respect of the same shall be allowed and taken at the sum or sums which shall be agreed on. Sanction of Expenditure.

12. **That** a Capital Account relating to the construction of the said Line of Railway and the works conveniences and telegraphs thereto belonging and relating to the original cost of engines carriages and the plant and machinery provided for the purposes of the said Line of Railway (such Capital Account to be called the Bellary Capital Account of the Madras Railway Company shall be kept by the said Railway Company to which Account all moneys paid by the said Railway Company the expenditure of which shall have received the sanction and approval of the East India Company shall from time to time be carried and when and so soon as the said Railway and works shall have been completed and furnished with the necessary Rolling Stock and plant or at any earlier time or times if the East India Company shall require the same the said Capital Account shall be made up and a statement shall be furnished to the East India Company of the aggregate amount of Capital which according to such account shall have been expended and such amount shall by examination of such account be ascertained and certified by the East India Company and from the opening of the said line of Railway or any part thereof the cost of maintaining it, with its machinery and stock in good working condition shall be payable by the Railway Company out of the Revenue of the said Railway including any interest to be received from the East India Company as hereinafter is mentioned but upon any additions alterations or improvements such as shall properly be chargeable to the Capital account being thereafter made with the sanction and approval of the East India Company to of or in the said Railway or the Works conveniences or telegraphs thereto belonging or the Engines Carriages and other plant and machinery belonging thereto the cost necessarily incurred in executing such additions alterations or im- Capital Account.

provements shall be added to the said Capital account and the said Capital account shall from time to time be made up and stated afresh as occasion shall require and be ascertained and certified accordingly.

Repair and maintenance of Rolling Stock.

13. **That** at all times during the said determinable term of Ninety-nine years the said Railway Company shall keep the said Railway or so much thereof as shall be completed and opened for Traffic and the works and conveniences belonging thereto and the Telegraphs in the said Railway (if any) in a state of good repair and in good working condition to the satisfaction of the East India Company and shall keep the same fully provided with rolling stock and plant adequate to the services thereof to the satisfaction of the East India Company.

Revenue Account.

14 **That** the said Railway Company shall in such forms and under such heads or divisions as shall be prescribed by the East India Company keep accounts of all receipts and payments whatsoever in respect of the said line of Railway except such receipts and payments as properly belong to the Capital account hereinbefore agreed to be kept and such account shall be called " The Bellary Revenue Accounts of the Madras Railway Company" and shall be made up half-yearly to the thirtieth day of June and the thirty-first day of December in every year or to such other days in the year as the East India Company shall appoint and shall be regularly transmitted to the East India Company who shall be at liberty at all times in auditing the same accounts to make any corrections therein which may be necessary.

Deposit of Revenue and Drafts thereon.

15. **That** all the earnings of the said Railway received by or on account of the said Railway Company in India shall be paid at such times and in such manner as the East India Company shall direct without any deduction under any pretence whatever into the Treasury of the East India Company at Madras to an account to be kept separately and to be called " The Bellary Revenue Account of the Madras Railway Company" and when any money shall be required by the said Railway Company for any purposes in connection with the said Railway properly chargeable to revenue and sanctioned by the East India Company such money may be drawn from the said account by the said Railway Company according to such arrangements as shall from time to time be made with the East India Company for that purpose.

Guarantee of Interest.

16. **That** the East India Company shall in addition to the interest payable on the Capital raised and to be raised for the said experimental and extension Lines from time to time during the said determinable term of Ninety-nine years pay to the said Railway Company in London half-yearly on the thirtieth day of June and the thirty-first day of December in every year Interest at the rate of Five pounds per cent per annum on the said fourth extension capital of One million pounds sterling so raised for the Line of Railway or on such parts thereof as shall for the time being have been paid into the Treasury of the East India Company as aforesaid such interest upon any part of the said capital of One million pounds being considered in the first instance as running from the day on which the same part shall have been so paid into the Treasury of the East India Company.

Excess above £1,000,000.

17. **That** if the expenditure of the said Railway Company in making the said Railway and Works or otherwise in respect of the matters to be included in the said Bellary Capital Account shall exceed the said sum of One million pounds the monies necessary to meet such excess shall as occasion requires be raised and paid by the said Railway Company into the Treasury of the East India Company and the said East India Company shall from time to time during the then residue of the said determinable term

of Ninety-nine years pay to the said Railway Company half-yearly on the days aforesaid interest on such excess at such rate as may be agreed upon such interest on the same monies to be calculated from the respective times when they have been so paid into the Treasury of the East India Company as aforesaid.

Application of profits.

18. **That** so soon as the said Railway Company shall begin to work the said Line of Railway or any part thereof and thenceforth during the said determinable term of Ninety-nine years the net receipts which shall be realized during any half year or from the commencement up to the first of the aforesaid half-yearly days on the said Line of Railway or on any part or parts thereof after deducting therefrom all sums which shall have been expended in the repairs and maintenance of the said Line of Railway and Works and the repair and restoration of the Rolling Stock and Plant belonging thereto and the management and conduct of the said Railway Company and its affairs in respect of the said Line of Railway and which shall have been allowed or sanctioned by the East India Company And also deducting such sum (if any) as with the consent of the East India Company may be appropriated and set apart for restoring and making good any deterioration of the said Railway and Works or Stock and Plant and for the current expenses of working the said Railway the money (if any) to be so appropriated and set apart or any part thereof being invested and accumulated or otherwise dealt with till required for application in any manner the said Railway Company may think fit subject to the sanction and approval of the East India Company shall be applied in the first place in or towards discharge of the interest which shall be payable by the East India Company under their Covenants in this Indenture contained in respect of such half-year so as to exonerate the East India Company so far as the same net receipts will extend from the payment of such interest respectively the money to be so applied being reckoned at the fixed and permanent exchange of one Shilling and ten pence per Company's Rupee and the residue (if any) of such net receipts shall be applied in manner following (that is to say) One moiety thereof shall be forthwith applied in the repayment of such sums of money as shall at any previous time or times have been paid by the East India Company to the said Railway Company under the Covenants in this Indenture contained by way of interest as aforesaid together with simple interest on such sums of money at the same rate per cent per annum as the rate of the interest which shall have been so paid from the time of payment respectively and such moiety shall be paid into the Treasury of the Government of India in India and shall be reckoned at the said rate of Exchange and shall be applied in reduction and discharge of the whole of the Interest payable to the East India Company on the said sums of money before the same shall be applied in liquidation of any part of the principal thereof and the other moiety of the said surplus net receipts shall be paid to or applied for the use and benefit of the said Railway Company and if at any time during the said determinable term of Ninety-nine years the whole of the monies previously paid by the East India Company as aforesaid shall with interest thereon as aforesaid shall have been paid and discharged then for every half year during such time and so often as the same shall happen the said Railway Company shall be entitled for their own use and benefit to the entirety of the said surplus net receipts or (as the case may be) so much thereof as shall remain after such repayment and discharge as last aforesaid shall have been made.

Mails and Troops.

19. **That** the said Railway Company will at all times during the said determinable term convey on the said Railway the Government Mails and Post Bags and the Guards and other servants of the Post Office in charge thereof free of charge and when

they are on duty all Officers and persons in the administration of the Post Office also free of charge and will also convey on the said Railway when they are on duty the Troops both Horse and Foot as well those of Her Majesty as those of the East India Company and all other persons to whom the provisions of the Mutiny Acts and Regulations and Acts for the time being in force for the Queen's Forces and for the East India Company's Forces respectively shall be applicable and all Artizans on the business of the East India Company the Officers and Persons of similar station in life to be entitled to travel in first class carriages at second class fares and the Troops and European Artizans in second class carriages at the lowest fares and all other persons at the lowest fares and will also convey on the said Railway at least two tons of Baggage for every hundred men free of charge and all general stores belonging to the East India Company and all Guns Ammunition Horses and other Animals used for Military purposes and all Military Stores Carriages Waggons camp equipages and equipments whatsoever at the lowest rate for the time being chargeable for the carriage of such animals goods and Merchandize the several privileges of conveyance and carriage hereby stipulated for being at all times to be used and enjoyed in preference to and priority over the public use of the said line of Railway for conveyance and carriage.

Ultimate rights of Property.

20. **That** at the end of the said term of Ninety-nine years by effluxion of time the land to be provided as aforesaid with the Railway thereon and all buildings works fixed machinery telegraphs and conveniences whatsoever shall revert to and become the property of the East India Company on account of the Government of India free from all debts and charges whatever save such as shall have been sanctioned by the East India Company and any Lands in Great Britain which may then be held by the said Railway Company for the purposes of the said Railway shall be sold and the clear monies to be produced by such sale shall be paid to the East India Company on the same account And the said Railway Company shall deliver to the East India Company as their property on the same account all plans surveys sections books printings writings drawings and documents whatsoever in any wise connected with the undertaking and affairs of the same Railway Company so far as respects the said line of Railway and the said Railway Company shall sell to the East India Company who shall be bound to purchase the same all the Engines Carriages Stock Machinery and Plant which shall then be used in working the said Railway or otherwise in connection therewith for such sum of money as shall be the fair value thereof the same to be determined in case of difference by a valuation to be made by Referees or their Umpire to be respectively appointed in the usual manner and the East India Company shall pay to the said Railway Company in London the sum of money to be so determined within four months after such determination with interest at the rate of Five per cent per annum from the expiration of the said term of Ninety-nine years.

Surrender.

21. **That** after any portion of the said Line of Railway shall have been finished and in work for Three Calendar months at least it shall be lawful for the said Railway Company then or at any time thereafter during the said term of Ninety-nine years to give notice in writing of their intention to surrender and relinquish the said line of Railway and works to the East India Company on any day to be mentioned in such Notice so that such Notice be served at least Six Calendar months before that day both on the East India Company in London and also on the Secretary of Government at Madras and in case of such Notice being given the said Railway Company shall at the expiration thereof surrender and relinquish the said Line of Railway and Works accord-

ingly together with the Telegraphs (if any) connected therewith and shall with all convenient speed sell any lands in Great Britain which may then be held by the said Railway Company for the purposes of the said Railway and pay the clear monies to be produced by such sale to the East India Company and shall deliver to the East India Company the Engines Carriages Stock Plant and Machinery belonging to the said Line of Railway and Works and all plans surveys sections printings writings and documents whatsoever connected therewith. And the East India Company shall be bound to accept the premises to be so surrendered and delivered it being expressly agreed that the said Line of Railway Works Stations Telegraphs Engines Carriages Stock Plant and Machinery shall at the time of such surrender and delivery be in good working order according to the Covenants in that behalf hereinbefore contained on the part of the said Railway Company and immediately after such surrender and delivery being made the East India Company shall be bound to pay to the said Railway Company the Capital expended by the said Railway Company upon the said line of Railway Works and premises so to be surrendered and delivered such expended Capital being ascertained and certified in the manner hereinbefore mentioned together with such parts (if any) of the same Capital as shall remain in the hands of the East India Company and discharge and indemnify the said Railway Company from all debts and liabilities incurred with the sanction of the East India Company in respect of the said Line of Railway and thereupon the Covenants in this Indenture contained for payment of interest shall cease as from the day upon which the East India Company shall be bound to accept the said Line of Railway and Works and all claims by the East India Company on account of interest or otherwise in respect of the said Railway shall also cease except that the East India Company shall be at liberty to retain out of any monies payable to the said Railway Company the amount of all other claims or demands of any sorts then existing against the said Railway Company on their Revenue account in respect of the said Railway and which will not be shewn to have been fully satisfied and discharged until the same shall have been shewn to be satisfied and discharged **Provided always** that the East India Company shall not be liable to refund any sum expended in the maintenance or working of the said Line of Railway or any part thereof after the same shall have been opened which sum is to be provided by the Railway Company out of the Revenues of the Line and interest as hereinbefore provided or otherwise.

Purchase.

22. **That** at any time within Six Calendar months after the expiration of twenty-five years reckoned from the date of these presents or at any time within Six Calendar months after the expiration of Fifty years from the same date it shall be lawful for the East India Company to give Notice to the said Railway Company in London and at Madras of their intention to purchase the said Railway and Works together with the Stations and Telegraphs (if any) and the Engines Carriages Stock Plant and Machinery belonging to the said Railway and Works but subject to such debts and liabilities (if any) as may have been incurred to the East India Company in respect of the said Line of Railway (exclusive of any arrears of the interest the East India Company under the conditions of this Indenture which shall not have been repaid) or to any person or persons with the sanction of the East India Company and to interest on such of the said Debts as carry interest from the day on which they shall take possession of the said Railway but not from any earlier time and thereupon at the half-yearly day next but one following such Notice the Land to be provided as aforesaid with the Railway thereon and all buildings works fixed machinery stations

·legraphs and conveniences whatsoever in connection therewith shall revert to and :come the property of the East India Company as the owners thereof by purchase on account of the Government of India And in case any lands in Great Britain shall then be held by the said Railway Company for the purposes of the said Railway the same shall be sold and the clear monies to be produced by such sale shall be paid to the East India Company and the said Railway Company shall at the same time deliver to the East India Company the Engines Carriages Stock Plant and Machinery belonging to the said Line of Railway and Works and all Plans Surveys Sections Books Printings Drawings Writings and Documents whatsoever in anywise relating thereto, and the East India Company shall be bound to pay in London on the said half yearly day for the purchase of all the same premises a sum equal to the full amount of the value of all the Shares and Capital Stock in the said Railway Company issued or created for raising Capital for the purposes of this Indenture calculated according to the mean Market value in London of such shares or stock during the three years immediately preceding the expiration of the said period of twenty-five years or the said period of fifty years as the case may be And shall also be bound to indemnify the said Railway Company against all such debts and liabilities (if any) as they may have incurred to or with the sanction of the East India Company in respect of the said Line of Railway and as shall be then subsisting and thereupon the Covenants in this Indenture contained for payment of Interest shall cease.

'ossession as remedy.

23. **That** if default shall be made by the said Railway Company in the raising and payment of the said sum of One million pounds or any of the Instalments thereof or such further Capital as shall be required for the construction of the said Railway or in the due application of any monies drawn from the Treasury in London or in India as aforesaid or in the execution of the said Railway and Works conformably with the aforesaid Covenant in that behalf or in case the Railway Company shall cease to work the Railway or the same shall not be worked to the satisfaction of the East India Company or in case of any other breach on the part of the said Railway Company of any of the Covenants herein contained it shall be lawful for the East India Company on giving to the said Railway Company at Madras three Calendar months Notice of their intention in that behalf to terminate the interest of the said Railway Company in the said Land and Railway Telegraphs and Works to be taken and constructed under these presents and to assume possession of the said Land Railway Telegraphs and Works respectively and of all or any of the Engines Carriages Stock Plant and Machinery provided for the same and all Plans Surveys Sections Books Printings Drawings Writings and Documents whatsoever in anywise connected with the said Line of Railway and in that case any Lands in Great Britain which may then be held by the said Railway Company for the purposes of the said Railway shall with all convenient speed be sold and the clear monies to be produced by such Sale shall be paid to the East India Company and in case of such Notice being given the East India Company shall be liable to repay within six Calendar months after its expiration to the said Railway Company in London the Capital expended by the said Railway Company upon the said line of Railway and Works so ascertained and certified as in this Indenture mentioned after a proper deduction for all Debts and liabilities then affecting the said Railway Company in respect of the said Line of Railway the money so to be repaid to include so much (if any) of the Capital raised for the purpose of the said Line of Railway and paid into the Treasury of the East India Company as shall then remain in the hands of the East India Company and also to indemnify the said

Railway Company against all such Debts and liabilities if any as they may have incurred to or with the sanction of the East India Company in respect of the said Line of Railway and as shall be then subsisting and thereupon the Covenants of the East India Company in this Indenture contained for payment of interest shall cease and all claims by the East India Company on the said Railway Company in respect of the said Line of Railway shall also cease the intention of this Indenture being that the Railway Company shall under all circumstances receive back the Capital expended with such sanction as aforesaid on the said new Line of Railway with interest at the rate or respective rates agreed upon and that such re-entry and assumption of possession and the exercise by the East India Company of the powers and authorities by this Clause given to them shall be the only penalty to which the Railway Company shall be liable in case of default in raising sufficient Capital for the purposes of the said Railway or in constructing and working the said Railway to the satisfaction of the East India Company.

Repairs by the East India Company.

24. **That** if default shall be made by the said Railway Company after the said Line of Railway or any portion thereof shall have been opened in their Covenants to keep the said Line of Railway and Works or such part thereof as shall have been completed and opened for Traffic in repair and condition for the space of one calendar month next after notice in writing in that behalf from the East India Company to the said Railway Company at Madras it shall be lawful for the East India Company by their Agents to enter on the said Line of Railway and Works and do and execute all such Works as may be required for fulfilling the said Covenant and to charge the expenses of the same against the Railway Company by setting off the amount of such expenses against any monies then payable or which shall thereafter become payable by the East India Company for Interest in manner in this Indenture mentioned which interest shall in such case to that extent be considered as paid and satisfied by such set off or retainer and shall for all the purposes of these presents be regarded and considered as interest actually paid by the East India Company to the said Railway Company in pursuance of their Covenant in that behalf hereinbefore contained and if such expenses shall not be satisfied by such set off and retainer as aforesaid then the East India Company may set off and deduct the same against and from all or any part of any other monies which shall on any account whatever under or by virtue of these presents be or become payable by the East India Company to the said Railway Company.

Annuity Commutation.

25. **That** in every or any case in which under the provisions of these presents the East India Company shall before the expiration of the said term of Ninety-nine years become bound to repay the Capital expended by the said Railway Company upon the said Line of Railway as aforesaid or to pay for the purchase of the said Line of Railway Works and Stock it shall be lawful for the East India Company instead of paying a gross sum of money in respect of the premises to declare by Notice to the said Railway Company in London their option to pay an Annuity to be reckoned from the time when the gross amount would be payable and to continue during the residue of the said term of Ninety-nine years and in that case such annuity shall be payable in London on such two half-yearly days in the year as shall be selected by the East India Company in that behalf with a fractional part or any broken half-year the rate of interest which shall be used in calculating such Annuity being determined by the average rate of interest during the preceding two years received in London upon public obligations of the East India Company and which shall be ascertained by reference

to the Governor or Deputy Governor of the Bank of England for the time being **Provided always** that the aforesaid option shall not apply to the undrawn portion (if any) of the Capital of the said Railway Company raised for the said Line of Railway and paid into the Treasury of the East India Company which portion is to be repaid to the said Railway Company with interest under the provisions in that behalf hereinbefore contained in case the said Railway Company shall relinquish or be deprived of the said Railway and Works as aforesaid.

Return of surplus.

26. **That** if after the said Railway and Works including the Telegraphs if required shall have been completed and furnished with adequate working stock the whole of the capital raised by the said Railway Company for the said line of Railway and paid into the Treasury of the East India Company shall not have been required for the purpose of the said capital account the surplus thereof shall be refunded by the said East India Company to the said Railway Company in London with such interest as shall be due on such capital at the time and thereupon the aforesaid covenants for payment of interest shall no longer apply to the Capital which shall have been so refunded.

Sanction of the East India Company.

27. **That** any Notice direction approval or sanction to be given or signified on the part of the East India Company for any of the purposes of these presents shall be sufficient and binding if signed by the Secretary or Deputy Secretary of the East India Company in London or by the Secretary of the Government at Madras or by any other Officer or servant of the East India Company duly authorized to act on behalf of the East India Company in respect of the matters to which the same shall relate and that the East India Company shall not in any case be bound in respect of the matters aforesaid unless by some writing signed in the manner before mentioned.

Railway Office in Madras and Agent.

28. **That** the said Railway Company shall keep an Office of the said Railway Company at all times hereafter during the said term established in Madras and the said Railway Company shall keep at the said Office an authorized Agent or Agents with whom the said East India Company and Government of Madras may communicate on affairs concerning the said Railway and all drafts drawn by the said Agent or Agents and all receipts of and acts done by such Agent or Agents on behalf of the said Railway Company or concerning the said Railway Works and Stock shall be binding on the said Railway Company and every Notice to be given to the said Railway Company shall be sufficiently given if left at the said Office or personally served on such Agent or Agents.

Legislation in India.

29. **That** the said East India Company shall promote the passing by the Governor General in India in Council of any Act or Acts which shall be necessary or convenient for enabling the said Railway Company to fulfil in India the object of their undertaking according to the terms and provisions of these presents.

Railway to be distinct.

30. **That** the Railway which is the subject of this Indenture shall be in all respects a separate and distinct Railway from the Experimental and Extension Railways which are the subject of the said recited Indentures of the twenty-second day of December One thousand eight hundred and fifty-two and the nineteenth day of December One thousand eight hundred and fifty-five and in order that the clauses and provisions hereinbefore contained may apply according to the intention of this Indenture all Capital monies paid into the Treasury of the East India Company under these presents shall be kept to a separate account called the Bellary Railway Account and an account shall be kept by the said Railway Company of all shares or stock or debentures created or issued by the said Railway Company to raise monies for the

purposes of the Railway which is the subject of this Indenture so that the same may be capable of being distinguished from other shares stock or debentures of the said Railway Company and all the profits arising from the Railway which is the subject of this Indenture shall be kept distinct from the other profits of the said Railway Company and the Stations and other Works and Conveniences of the Railway which is the subject of this Indenture and the Engines carriages and other plant and machinery providing for working the same shall be kept distinct from the Stations Works Conveniences Engines Carriages Plant and Machinery provided for the said Experimental and Extension Lines and conformably with the provisions hereinbefore contained the accounts of the said Railways respectively shall be in all respects kept separate and distinct and the provisions of the said recited Indentures of the twenty-second day of December One thousand eight hundred and fifty-two and the nineteenth day of December One thousand eight hundred and fifty-five shall be construed and effect be given to the same as if the Railway which is the subject of this Indenture had not been made and the Capital raised for making the same had not been so raised **Provided always** that nothing herein contained shall in any way alter or affect the division or distribution of the profits accruing to the said Railway Company from the said several Railways respectively as between any different classes of Shareholders in the said Railway Company or otherwise **In witness** whereof the East India Company and the Madras Railway Company have hereunto caused their respective Common Seals to be affixed the day and year first above written.

CONTRACT

GUARANTEEING INTEREST ON £1,000,000

DEBENTURE CAPITAL

OF

THE MADRAS RAILWAY,

DATED 13TH MARCH 1860.

This Indenture made the thirteenth day of March One thousand eight hundred and sixty BETWEEN THE SECRETARY OF STATE IN COUNCIL of the one part and THE MADRAS RAILWAY COMPANY incorporated by an Act of Parliament made and passed in the Session of the sixteenth year of the Reign of Her present Majesty intituled "An Act for incorporating the Madras Railway Company and for other purposes connected therewith" of the other part, WHEREAS the said Madras Railway Company were incorporated by the said Act of Parliament for the purpose of making and constructing working and maintaining such Railway or Railways in the East Indies as might be agreed upon by the said Railway Company and the East India Company and by the said Act the said Railway Company were empowered from time to time to enter into and conclude with the East India Company on account of the Government of India such Contracts, Agreements and Arrangements as the respective parties might think fit and agree upon for making any Railway or Railways in India including all or any of the provisions therein particularly mentioned, AND WHEREAS by an Indenture bearing date the twenty-second day of December One thousand eight hundred and fifty-two and made between the East India Company of the one part and the said Madras Railway Company of the other part, It was amongst other things agreed that the said Railway Company should construct and open an Experimental Line of Railway to commence at or near Madras and to take a direction towards the Western Coast of India at an estimated cost of Five hundred thousand Pounds Sterling or thereabouts. And by an Indenture bearing date the nineteenth day of December One thousand eight hundred and fifty-five and made between the East India Company of the one part and the said Madras Railway Company of the other part, It was amongst other things agreed that the said Railway Company should construct and open a line of Railway to commence at some point in the said Experimental Line and to proceed to the Western Coast of India with a Branch to Bangalore and the foot of the Hills towards Ootacamund at an estimated cost of Four million Pounds Sterling or thereabouts, and by the covenants and provisions of the said Indentures respectively it was amongst other things agreed that the land required for the said Experimental Line and Extension Line respectively should be provided by the East India Company and that the monies required to make up the said sums of Five hundred thousand Pounds Sterling and Four million Pounds Sterling respectively and such further sums, if any, as might be required for the purpose of the said Experimental Line and Extension Line respectively should be paid by the said Railway Company into the Treasury of the East India Company by Instalments to be from time to time drawn out for the purposes of the Works and that the land provided for the said Experimental Line and Extension Line respectively should be leased by the East India Company to the said Railway Company for terms of ninety-nine years to be computed from the date of the said Indentures respectively, determinable by surrender or purchase as in the said Indenture is mentioned, And that the East India Company should pay to the said Railway Company on the thirtieth day of June and the thirty-first day of December in every year during the said determinable terms of ninety-nine years' interest at the rate of four and a half per cent. per annum on the monies paid or to be paid into the Treasury of the East India Company for the purposes of the said Experimental Line as aforesaid and interest at the rate of five Pounds per cent. per annum on monies to be so paid in respect of the sum of Five hundred thousand Pounds first raised for the said Extension Line and at the rate of four and three-quarters per cent. per annum on monies to be so paid in respect of the further sum of One million Pounds raised for the said Extension Line and at such rate as might be agreed upon on any additional Capital to be raised for the said Extension Line and in the said Indenture of the nineteenth day of December One thousand eight hundred and fifty-five was contained a provision that the net receipts of the whole Line of Railway including the Experimental and Extension Lines realized in any half year should be applied in the first place in discharge of the interest payable by the East India Company as aforesaid in respect of such half-year so as to exonerate them from the same and that the residue if any of such net receipts should be applied as follows, *viz.*, One moiety thereof should be applied in payment of such sums as should at any previous times have been paid by the East India Company to the said Railway Company by way of interest as aforesaid, together with simple interest on the sums so paid at the rate of Four and a half per cent. per annum from the times of payment respectively and the other moiety of the said surplus receipts should be applied for the use and benefit of the said Railway Company, AND WHEREAS by an Indenture bearing date the thirteenth day of August One thousand eight hundred and fifty-eight and made between the East India Company of the one part and the said Madras Railway Company of the other part a Contract was entered into for the construction by the said Railway Company of a Line of Railway to commence at or near Madras and to proceed in a North Westerly direction to or near Bellary as a separate and distinct Line of Railway with the same or the like covenants and provisions as were contained in the said Indenture of the nineteenth day of December One thousand eight hundred and fifty-five and it was thereby provided that the accounts of such Line to Bellary both as to Capital and Revenue were to be kept separate and distinct from the Accounts of the said other Lines of Railway, AND WHEREAS under the provisions of the Act of the twenty-first and twenty-second year of Her Majesty, Chapter 106, intituled "An Act for the better Government of India" the benefit of the hereinbefore recited Contract became vested in Her Majesty for the purposes of the Government of India and save as otherwise provided by the said Act one of Her Majesty's Principal Secretaries of State has and may perform all such and the like powers and duties relating to the Government or Revenues of India as might or should have been exercised or performed by the East India Company and the Secretary of State in Council with the concurrence of a majority of Votes at a Meeting of the Council of India has full power to enter into any Contracts whatsoever as may be thought fit for the purposes of that Act and all monies payable in respect of the said Indenture of contract and all liabilities contracted on account of the Government of India are charged and chargeable on the Revenues of India, AND WHEREAS in the month of June last it was agreed between the Secretary of State in Council and the said Railway Company that in order to provide additional Capital for the purposes of the said Extension Line of Railway the said Railway Company should in pursuance of powers in that behalf vested in them raise money by loan to the extent of the sum of One million Pounds Sterling and that Bonds or obligations denominated Debentures under the seal of two of the Directors thereof should be created and issued to the persons making advances in respect of the said sum of One million Pounds, AND WHEREAS certain forms of Debentures have been prepared and by such forms of Debenture the said Railway Company bind themselves and their successors to pay to the person named in the Debenture the principal sum therein mentioned on the first day of July One thousand eight hundred and sixty-four and also to pay to the same person interest half-yearly on the said principal sums at the rate of Five Pounds per cent. per annum on the first day of January and the first day of July in each year on presentation only at the Union Bank of London of the Coupons annexed to the Debenture and by such form of Debenture it is declared that the Proprietor for the time being of the Debenture is also to have the option at the expiration of twelve months from the date thereof and thenceforward at any time before the same becomes payable to exchange the Debenture for a proportionate sum of Capital Stock of the Company upon which interest at the rate of five Pounds per cent. per annum is guaranteed under the Contract entered into with the East India Company on leaving with the Managing Director of the Company at the Offices of the Company in London one Calendar month's notice in writing of his desire so to do and at the same time delivering up the Debenture with such of the Coupons as have not then fallen due and executing the Company's Deed of Settlement or a Deed of Accession thereto and that having so done he will at the expiration of such month be entitled to all the privileges and advantages of a registered proprietor. And it is further declared that in the event of the holder of the Debenture not availing himself of the option to become a proprietor of Stock the principal sum advanced by him will be repaid at the Union Bank of London on the first day of July One thousand eight hundred and sixty-four, AND WHEREAS the said Railway Company forthwith issued proposals for the loan of the sum of Five hundred thousand Pounds Sterling and the whole of such sum was advanced by various persons in various sums respectively and was paid into the Bank of England to the credit of the account of the Secretary of State in Council of India, AND WHEREAS the said Railway Company created and issued to the said persons respectively Debentures bearing date respectively on and after the first day of July One thousand eight hundred and fifty-nine, AND WHEREAS proposals have lately been issued by

the said Railway Company for the loan of a further sum of Five hundred thousand Pounds Sterling so as to make up in the whole the said sum of One million Pounds Sterling and previously to the date of these presents the sum of Seventy-nine thousand five hundred Pounds part of such further sum has been advanced by various persons in various sums respectively and has been paid into the Bank of England to the credit of the account of the Secretary of State in Council of India and Debentures bearing various dates but all payable on the first day of July One thousand eight hundred and sixty-four have been issued to the said persons respectively, AND WHEREAS it was one of the terms of the said Agreement between the Secretary of State in Council and the said Railway Company with respect to the said Loan that in order to facilitate the obtaining advances the Secretary of State in Council should Guarantee the payment of the principal monies advanced and of the interest thereon in manner hereinafter mentioned and in evidence of such Agreement and Guarantee the said Debentures have been signed by an Officer on behalf of the Secretary of State in Council and it is intended that the Debentures remaining to be issued should be signed in like manner, AND WHEREAS the covenants hereinafter contained on the part of the Secretary of State in Council are entered into with the concurrence of a majority of votes at a Meeting of the Council, NOW THIS INDENTURE WITNESSETH that in pursuance of the said Agreements and in consideration of the premises the Madras Railway Company do hereby for themselves and their successors (so far as the covenants and Agreements hereinafter contained are to be observed and performed by them) COVENANT with the Secretary of State in Council, And the Secretary of State in Council doth hereby (so far as the Covenants and Agreements hereinafter contained are to be observed and performed by the Secretary of State in Council for the time being) COVENANT with the Madras Railway Company and their successors in manner following, that is to say—

1. THAT the said Railway Company shall and will from time to time until the whole of the said sum of One million Pounds Sterling shall have been advanced receive sums of money on loan from any persons respectively willing to advance the same and shall and will forthwith pay any sums so received into the Bank of England to the credit of the Account of the Secretary of State in Council and shall and will create and issue to the said persons respectively Debentures for securing the principal monies advanced by them respectively and the interest thereon as hereinbefore mentioned.

2. THAT the Secretary of State in Council shall and will as often as and when the interest at the rate of five Pounds per cent. per annum in respect of such of the Debentures representing the said sum of One million Pounds Sterling or any part thereof as shall not previously to the time of payment of interest have been exchanged for Stock shall become due duly pay out of the Revenues of India into the Union Bank of London to an account to be called "The Madras Railway Debenture Account" the aggregate amount of such interest as a fund to meet and provide for the payment of such interest and shall and will on the said first day of July One thousand eight hundred and sixty-four duly pay out of the Revenues of India to the same account the amount of the principal sums payable on such of the said Debentures as shall not previously to such day have been exchanged for Stock as a fund to meet and provide for the payment of such principal sums and the monies so to be paid to the said Account shall be applied to the payment of such interest and principal accordingly and that the Secretary of State in Council shall and will at all times hereafter the costs and charges being defrayed out of the Revenues of India well and sufficiently protect save harmless and keep indemnified the said Madras Railway Company and their lands tenements goods chattels and effects whatsoever of from against all actions suits losses costs charges damages and expenses whatsoever which they shall or may suffer sustain expend or be put unto or which shall or may be commenced instituted sued or prosecuted against them by reason or in consequence of the said Debentures or any of them.

3. THAT upon the holder of any of the said Debentures availing himself of the option given to him under the terms of his Debenture and exchanging the said Debenture for Capital Stock of the Company to the same amount the Secretary of State in Council shall during the then residue of the said determinable term of ninety-nine years from the nineteenth day of December One thousand eight hundred and fifty-five pay out of the Revenues of India to the said Railway Company in London half-yearly on the thirtieth day of June and the thirty-first day of December in every year interest at the rate of five Pounds per cent. per annum on the Capital sum represented by the Debentures which shall have been so exchanged such interest being

considered in the first instance as running from the last day on which interest shall have become payable on the same Debentures previously to the exchange thereof for Stock.

4. THAT the sums hereinbefore agreed to be paid by the Secretary of State in Council for interest as aforesaid shall be in full satisfaction of all interest which under the said Indenture of the nineteenth day of December One thousand eight hundred and fifty-five would or might become payable in respect of the principal monies raised by the said Debentures and paid into the Bank of England to the credit of the Account of the Secretary of State in Council of India as aforesaid.

5. THAT the provision contained in the said Indenture of the nineteenth day of December One thousand eight hundred and fifty-five concerning the application of the half-yearly net receipts of the said Railway in payment of the interest therein mentioned so as to exonerate the East India Company from the same and concerning the application of one half of the surplus of such net receipts in the repayment of any sums previously paid for interest with simple interest on such sums at the rate of Four and a half per cent. per annum shall apply to the interest hereinbefore agreed to be paid by the Secretary of State in Council as aforesaid.

6. THAT all monies which under the covenant hereinbefore in that behalf contained shall be paid by the Secretary of State in Council in payment of the principal monies secured by such of the said Debentures as shall not be exchanged for Stock shall be treated and considered as Capital contributed by the Secretary of State in Council out of the Revenues of India to the Joint Stock of the Madras Railway Company for the purposes of the said Extension Line of Railway and the Secretary of State in Council on behalf of the Government of India shall be entitled to all the same benefit and advantages in respect of such Capital as if such Debentures had been exchanged by the holders thereof for Stock which had been transferred to trustees for Her Majesty on account of the Government of India and in order to give full effect to such rights the Secretary of State in Council shall be entitled at any time to name a person or persons into whose name or names the trustee or trustees for the purposes aforesaid an equivalent amount of Stock may be placed and registered and thereupon such shares shall be so entered and registered accordingly.

7. THAT subject to the provisions herein contained the covenants and provisions of the said Indenture of the nineteenth day of December One thousand eight hundred and fifty-five shall be and remain in full force and effect, IN WITNESS whereof Elliot Macnaghten, Esquire, and Sir Proby Thomas Cautley being two of the Members of the Council of India have hereunto set their hands and Seals and the Madras Railway Company have caused their common Seal to be affixed the day and year first above written.

Signed, Sealed and Delivered by Elliot Macnaghten and Sir Proby Thomas Cautley, being two Members of the Council of India, in the presence of — E. MACNAGHTEN. PROBY T. CAUTLEY.

FRANCK MANGLES.

CONTRACT

FOR

THE GREAT SOUTHERN OF INDIA RAILWAY

FROM

NEGAPATAM TO TRICHINOPOLY.

DATED 1ST SEPTEMBER 1858.

This Indenture made the first day of September One thousand eight hundred and fifty eight **Between** THE EAST INDIA COMPANY of the one part and THE GREAT SOUTHERN of INDIA RAILWAY COMPANY incorporated by an Act of Parliament made and passed in the Session of the twenty first and twenty second years of the reign of Her present Majesty intituled "An Act to " incorporate and regulate the Great Southern of India Railway Company and for " other purposes connected therewith" of the other part **Whereas** the said Great Southern of India Railway Company were incorporated by the said Act of Parliament for the purpose of affording Railway communication to the Southern provinces of India and such other places as they might from time to time determine by constructing maintaining and working Railways and the performance of all other matters and things incidental or conducive thereto and by the said Act the said Railway Company are empowered from time to time to enter into and conclude with the East India Company on account of the Government of India and to carry into effect such Contracts agreements and arrangements as the respective parties might think fit and agree upon for or connected with or incident to or respecting all or any or either of the objects and purposes aforesaid including such provisions as are hereinafter contained **And whereas** the East India Company considering the great advantage resulting from the construction of Railways in India have agreed to co-operate with the said Railway Company in the construction of a Line of Railway from Negapatam on the Sea Coast to a point at or near Trichinopoly in the Southern province of India in the manner and upon the terms and conditions hereinafter mentioned and contained **Now this Indenture Witnesseth** that in pursuance of the aforesaid Agreement and in consideration of the premises the said Great Southern of India Railway Company **Do** hereby for themselves and their Successors (so far as the covenants and agreements hereinafter contained are to be observed and performed by them) COVENANT with the East India Company and their Successors And the East India Company **Do** hereby for themselves and their Successors (so far as the covenants and agreements hereinafter contained are to be observed and performed by them) COVENANT with the said Great Southern of India Railway Company and their Successors in manner following that is to say.

1. **That** it shall be lawful for the East India Company to determine fix upon and select the route and direction of a Line of Railway to commence at or near Negapatam and to proceed to a point at or near to Trichinopoly and such selected line of Railway at an estimated cost to be approved of by the East India Company shall be completed by the said Railway Company and opened for the conveyance of Passengers and Goods with all practicable speed. Selection of Line.

2. **That** the East India Company shall give notice to the said Railway Company of the Line when so selected as aforesaid or of any part or parts thereof as such part or parts shall from time to time be fixed upon and it shall be lawful for the East India Company from time to time to alter the said route or direction or to extend or limit the same as they shall think fit after such notice as aforesaid—Provided always that if such alteration of route or direction shall be made after the Railway shall have been commenced in a previously selected route or direction the expense in any way incident to such alteration shall be considered as properly incurred by the said Railway Company. Notice of Line.

Land. 3. **That** the East India Company shall after the selection of the route and direction of the said Line of Railway or of any part or parts thereof and from time to time as may be necessary provide the land which shall be required for the said Railway or for the part or parts thereof so selected and the works connected therewith and for proper stations offices warehouses and other conveniences for the same and shall give to the said Railway Company possession thereof and that all land of which possession shall be so given to the said Railway Company which shall not be permanently required for the purposes of the said Railway Company shall as soon as practicable be restored to the East India Company.

Works. 4. **That** the said Railway Company shall on receiving possession of the same land or any part thereof forthwith and subject to the supervision and control hereinafter prescribed commence and proceed with diligence in the construction of the said Line of Railway and of all such Stations Offices warehouses fixed machinery and other works and conveniences as in the opinion of the East India Company (such opinion to be certified in writing) shall be necessary or expedient as well with reference to the original construction of the said Railway and the working thereof as with reference to the permanent maintenance thereof and its protection from injury or destruction by inundation tempest or other causes whatsoever—And such Railway shall be made at such gradients and shall be furnished with rails of such weight and strength and laid down and secured in such manner and shall consist either of a single or a double line of Railway as the East India Company shall in writing direct and shall if required by the East India Company and at such time or times as they shall in writing require be provided with an Electric Telegraph constructed along all or such part or parts of the said Railway and upon such principle and to be under such regulations as to its use and the terms of its use as the East India Company shall in writing from time to time direct or approve of And the said Railway Company shall from time to time attend to execute and perform all such directions in writing as may from time to time be given by the East India Company for any deviations from or alterations in any directions or requisitions previously made or given with respect to the premises And the said Railway Company shall as soon as the said Railway shall be completed for such a distance as in the opinion of the East India Company shall be desirable open the same for the conveyance of Passengers and Goods.

Opening. 5. **That** it shall be lawful for the East India Company from time to time by notice in writing to the said Railway Company to require any specified part or parts of the said Line of Railway to be completed as aforesaid and to be opened for the conveyance of Passengers and Goods before the remaining part or parts thereof shall be constructed and such requisitions shall be complied with and fulfilled by the said Railway Company.

Money Capital. 6. **That** the said Railway Company shall pay into the Treasury of the East India Company in London the sum of One million pounds sterling by such instalments and at such times as the East India Company may prescribe and such payments may be made in sums of not less than Ten thousand pounds each in London provided that if the said Railway Company shall receive any portions of their capital already subscribed or hereafter to be subscribed in India it shall be lawful for them to pay the amount so received in sums of not less than ten thousand Rupees into the Treasury at Madras in or towards satisfaction of the said instalments and the acknowledgement of such respective payments there shall when produced to the East India Company in London be considered and taken as payments on the respective days of payment thereof in part satisfaction of the said sum of One million pounds at the Exchange of One shilling and ten pence for each Company's rupee—**Provided** ALWAYS that such payment into the Treasury at Madras shall never

ceed the

amounts which may from time to time be required for expenditure in India such limit being determined upon by the East India Company.

Drafts on Capital. 7. **That** as often as and when any money shall be required by the said Railway Company for any purposes in connection with the said Line of Railway sanctioned by the East India Company in reference to particular sums from time to time required only so far as such purposes shall have been performed to the satisfaction of the East India Company or when any money shall be required for the performance of works in connection with the said Line of Railway sanctioned by the East India Company while the same shall be in course of execution such money may be drawn in such sums as shall from time to time be necessary by the said Railway Company in London or at Madras from the Treasury of the East India Company or the Government of India according to such arrangements as shall be made from time to time with the East India Company for that purpose But ten days notice of every such draft or proposed draft shall be given to the said Treasuries respectively and all sums of money which shall be so drawn at Madras shall be set off at the Exchange of One shilling and ten pence for each Company's Rupee against the said sum of One million pounds sterling or so much thereof as shall have been paid into the Treasury of the East India Company as aforesaid and the said Railway Company shall not in any case be entitled to draw upon the Treasury in London or at Madras to an extent greater than the balance in their favor for the time being.

Plant Fares and Tolls. 8. **That** when and so soon as the whole Line of Railway or any part or parts thereof which shall have been required by the East India Company to be completed before the construction of the other parts shall be completed and ready to be opened for the use of the public and so from time to time as any such part thereof shall be so completed and ready to be opened the said Railway Company shall and will subject to the supervision and control hereinafter mentioned provide to the satisfaction of the East India Company a good and sufficient working stock of Engines Carriages and other plant and Machinery for working the said Railway or such part or parts thereof as shall have been completed as aforesaid and carrying on the business and traffic of the same and the said Railway Company shall and will forthwith commence and carry on the business of Common Carriers of Goods and Passengers upon the said Railway and for that purpose shall cause to be run on the said Railway so many trains at such times and at such rates of speed and between such places and with such conveniences and accommodations as the East India Company shall from time to time require And the said Railway Company shall and will allow the use of the said Railway to the Public on such terms as shall be approved by the East India Company And the said Railway Company shall be authorized and empowered to charge such fares for the carriage of Passengers and Goods and such Tolls for the use of the said Railway as shall have been approved by the East India Company and shall not in any case charge any higher or different fares or tolls whatever without such approval being first obtained but such fares or tolls shall when such net receipts as are herein after mentioned shall in any year have exceeded ten per cent upon the outlay be reduced in accordance with any requisition of the East India Company in that behalf but only with a view of limiting the said fares and tolls so far that the net receipts shall not exceed ten per cent as aforesaid.

Title to Land. 9. **That** upon the completion of the whole of the said Line of Railway or any part or parts thereof which shall have been required by the East India Company to be completed before the construction of the remaining part the East India Company shall and will grant to the said Railway Company a Lease of or otherwise secure to them a right and title to the Land which shall have been provided under the provision hereinbefore contained or of so much thereof as shall be required for the completed Line and for the works and conveniences thereto belonging for a term of ninety nine years commencing from the first day of May in the present year unless the same shall be sooner determined under the provisions herein contained and the East India Company shall guarantee to the said Railway Company the quiet and undisturbed possession of such land but shall not be called upon to shew any Title thereto.

Supervision.
Ex-Officio Director may be appointed. His powers and privileges.

10. **That** the said Railway Company and their Officers Servants and Agents as also their accounts and affairs shall in all things be subject to the superintendence and control of the East India Company as well in England as elsewhere and in particular that no Bye Laws Contracts orders directions proceedings works or undertakings acts matters or things whatsoever shall be made done entered into commenced or prosecuted by or on the part of the said Railway Company unless previously sanctioned in writing by the East India Company or in some other manner to be prescribed by them and that no monies shall be raised by the said Railway Company by any other means than by Calls upon or payments in respect of the Shares in the same Company without the sanction of the East India Company in writing and no extension of the number of shares in the said Railway Company or in the amount of its Capital shall be made unless sanctioned in like manner and that it shall be lawful for the East India Company from time to time to give to the said Railway Company their Officers Servants and Agents all such orders and directions as the East India Company shall from time to time think fit with reference to the said Railway and works and with reference to the manner and times of executing the same and with reference to any Contracts Orders and directions to be entered into made or given with regard thereto and otherwise with reference to the same all which contracts orders and directions shall be executed and followed by the said Railway Company to the satisfaction of the East India Company the costs and expences of the same which shall have been allowed and sanctioned by the East India Company being paid out of the Capital of the said Railway Company and that for better enabling the East India Company to exercise the control and direction intended to be hereby secured the said Railway Company shall record and keep in proper books for that purpose full and particular accounts of all their transactions and proceedings including full and true minutes of all their meetings, meetings of Directors communications with India and correspondence so as at all times to exhibit thereby fully and truly the state of their affairs and proceedings and that the East India Company and any person or persons appointed by them in that behalf shall at all reasonable times have free access to all the books accounts papers and documents of the said Railway Company (except communications between the said Railway Company and their Legal Advisers) and power to make Copies of or extracts from the same whether such books accounts papers and documents relate to the Railway and works aforesaid or to any other matters or things whatsoever in which the said Railway Company shall or may be interested And it shall be lawful for the East India Company from time to time to appoint any one person not being a Shareholder in the said Railway Company to be an Ex-officio Director of the said Railway Company which Director if and when appointed shall rank as and to be one of the Board of Directors of the said Company and be entitled in all things to act as such and to exercise at his discretion a right of veto in all proceedings whatsoever at Boards of the Directors (except proceedings for the purpose of communicating with the Legal Advisers of the Company and shall not be removeable except by order of the East India Company and shall in case the whole number of Directors shall at the time of his appointment be filled up come and be in the place of one of the Directors who shall retire from the direction according to the decision of the Board such decision being taken by Ballot but such Official Director shall not be entitled to any salary from the said Railway Company **Provided** ALWAYS that nothing hereinbefore contained shall authorize the East

India Company to appoint any Officers or Servants of the said Railway Company except such Official Director as aforesaid.

Sanction of Expenditure.

11. **That** all the expences of the said Railway Company shall from time to time be stated and submitted to the East India Company for their sanction and approval and as between the said Railway Company and the East India Company shall be allowed so far only as the same shall from time to time have been sanctioned and approved by the East India Company **Provided always** that the last mentioned stipulation shall not interfere with any such subsidiary agreement or agreements (if any) as from time to time may be made between the said Railway Company and the East India Company for the performance of any part or parts of the said Railway and works of any sum or sums of money to be specified in such subsidiary agreement or agreements in which case the expences in respect of the same shall be allowed and taken at the sum or sums which shall be so agreed upon.

Capital Account.

12. **That** a Capital Account relating to the construction of the said Line of Railway and the works conveniences and Telegraphs thereto belonging and relating to the original cost of Engines Carriages and the plant and machinery shall be kept by the said Railway Company to which account all monies paid by the said Railway Company the expenditure of which shall have received the sanction and approval of the East India Company shall from time to time be carried and when and so soon as the said Railway and Works shall have been completed and finished with the necessary rolling stock and plant or at any earlier time or times if the East India Company shall so require the said Capital Account shall be made up and a statement shall be furnished to the East India Company of the aggregate amount of Capital which according to such account shall have been expended and such amount shall by examination of such account be ascertained and certified by the East India Company and from the opening of the said Line of Railway or any part thereof the cost of maintaining it with its machinery and stock in good working condition shall be payable by the Railway Company out of the Revenue of the said Railway including any interest to be received from the East India Company as hereinafter mentioned but upon any additions alterations or improvements such as shall properly be chargeable to the Capital Account being thereafter made with the sanction and approval of the East India Company to of or in the said Railway or the works conveniences or Telegraphs thereto belonging or the Engines Carriages and other plant and machinery the cost necessarily incurred in executing such additions alterations or improvements shall be added to the said Capital Account and the said Capital Account shall from time to time be made up and stated afresh as occasion shall require and be ascertained and certified accordingly.

Repair and maintenance of Rolling Stock.

13. **That** at all times during the said determinable term of ninety nine years the said Railway Company shall keep the said Railway or so much thereof as shall be opened and the works and conveniences belonging thereto and the Telegraphs on the said Railway (if any) in a state of good repair and in good working condition to the satisfaction of the East India Company and shall keep the same fully provided with Rolling Stock and plant adequate to the service thereof to the satisfaction of the East India Company.

Revenue Account.

14. **That** the said Railway Company shall in such forms and under such heads or divisions as shall be prescribed by the East India Company keep accounts of all receipts and payments whatever in respect of their undertaking and business (except such receipts and payments as properly belong to the Capital Account hereinbefore agreed to be kept) and such Accounts shall be called the "Revenue Accounts of the Great Southern of India Railway Company" and shall be made up half yearly to the thirtieth day of June and the thirty-first day of December in every year or to

such other days in the year as the East India Company shall appoint and shall be regularly transmitted to the East India Company who shall be at liberty at all times in auditing the same accounts to make any corrections therein which may be necessary.

Deposit of Revenue and Drafts thereon.

15. **That** all earnings and profits received by or on Account of the said Railway Company in India shall be paid at such times and in such manner as the East India Company shall direct without any deduction under any pretence whatever into the Treasury of the East India Company at Madras to an account to be kept separately to be called "The Revenue Account of the Great Southern of India Railway Company" and when any money shall be required by the said Railway Company for any purposes sanctioned by the East India Company and in reference to the particular sums required only as far as the East India Company shall be satisfied that the work has been performed such money may be drawn by the said Railway Company according to such arrangements as shall from time to time be made with the East India Company for that purpose.

Guarantee of Interest.

16. **That** the East India Company shall from time to time during the said determinable term of ninety nine years pay to the said Railway Company in London half yearly on the thirtieth day of June and the thirty-first day of December in every year interest at the rate of Five pounds per cent per annum on the said sum of One million pounds sterling or on such parts thereof as shall for the time being have been paid into the Treasury of the East India Company as aforesaid such interest upon any part of the said sum of One million pounds being considered in the first instance as running from the day on which the same part shall have been so paid into the Treasury of the East India Company.

Excess above £1,000,000

17. **That** if the expenditure of the said Railway Company in making the said Railway and works or otherwise in respect of the matters to be included in the said Capital Account shall exceed the said sum of One million pounds the monies necessary to meet such excess shall be raised and paid by the said Railway Company into the Treasury of the East India Company and the East India Company shall from time to time during the then residue of the said determinable term of ninety nine years pay to the said Railway Company half yearly on the days aforesaid interest at such rate as may be mutually agreed upon the same monies to be calculated from the respective times when they shall have been so paid into the Treasury of the East India Company as aforesaid.

Applications of Profits.

18. **That** so soon as the said Railway Company shall begin to work the said Line of Railway or any part thereof and the Telegraph (if any) and thenceforth during the said determinable term of ninety nine years the net receipts which shall be realized during any half year or from the commencement up to the first of the aforesaid half yearly days on the said Line of Railway or on any part or parts thereof after deducting therefrom all sums which shall have been expended in the repairs and maintenance of the said Railway and Works and Telegraph and the repair and restoration of the rolling Stock and plant and the management and conduct of the said Railway Company and its affairs and which shall have been allowed or sanctioned by the East India Company and also deducting such sum (if any) as with the consent of the East India Company may be appropriated and set apart for repairing restoring and making good any deterioration of the said Railway and Works or Stock and plant for the current expences of working the said Railway (the money to be so appropriated and set apart or any part thereof being invested and accumulated or otherwise dealt with till required for application in any manner the said Railway Company may think fit subject to the sanction and approval of the East India Company) shall be applied in the first place in or towards discharge of the Interest which shall be pay-

able by the East India Company under the covenants hereinbefore contained in res-
pect of the said half year so as to exonerate the East India Company so far as the same
net receipts will extend from the payment of such Interest the money to be so applied
being reckoned at the fixed and permanent exchange of One shilling and ten pence
per Company's Rupee and the residue (if any) of such net receipts shall be applied in
manner following (that is to say) One moiety thereof shall be forthwith applied in the
repayment of such sums of money as shall at any previous time or times have been
paid by the East India Company to the said Railway Company under the covenants
hereinbefore contained by way of Interest as aforesaid together with Simple Interest
on such sums of money at the same rate per cent per annum as the rate of the
Interest which shall have been so paid from the times of payment respectively and
such moiety shall be paid into the Treasury of the East India Company at Madras
and shall be reckoned at the said rate of Exchange and shall be applied in reduction
and discharge of the whole of the Interest payable to the East India Company on the
said sums of money before the same shall be applied in liquidation of any part of the
Principal thereof and the other moiety of the said surplus net receipts shall be paid
to or applied for the use and benefit of the said Railway Company And if at any time
during the said determinable term of Ninety nine years the whole of the monies pre-
viously paid by the East India Company as aforesaid with Interest thereon as afore-
said shall have been repaid and discharged then for every half year during such time
and so often as the same shall happen the said Railway Company shall be entitled
for their own use and benefit to the entirety of the said surplus net receipts or as the
case may be so much thereof as shall remain after such repayment and discharge as
last aforesaid shall have been made.

Mails and Troops.

19. **That** the said Railway Company will at all times during the said determi-
nable term convey on the said Railway the Government Mails and Post Bags and the
Guards and other Servants of the Post Office in charge thereof free of charge and
when they are on duty all Officers and persons in the administration of the Post
Office also free of charge And will also convey on the said Railway when they are on
duty the Troops both Horse and Foot as well as those of Her Majesty as those of the
East India Company and all other persons to whom the provisions of the Mutiny Acts
and Regulations and Acts for the time being in force for the Queen's Forces and for
the East India Company's Forces respectively shall be applicable and all Artizans on
the business of the East India Company the Officers and persons of similar station
in life to be entitled to travel in First Class Carriages at Second Class fares and the
Troops and European Artizans in Second Class Carriages at the lowest fares and all
other persons at the lowest fares And will also convey on the said Railway two Tons
of Baggage for every One hundred Men free of charge and will convey on the said
Railway all General Stores belonging to the East India Company and all Guns Am-
munition Horses and other Animals used for Military purposes and all Military Stores
Carriages Waggons Camp Equipage and Equipments whatsoever at the lowest rate
for the time being chargeable for the carriage of such Animals Goods and Merchan-
dize the several privileges of conveyance and carriage hereby stipulated for being at
all times to be used and enjoyed in preference to and priority over the Public use of
the said Line of Railway for conveyance and carriage.

Ultimate rights of property.

20. **That** at the end of the said term of Ninety nine years by effluxion of time
the land to be provided as aforesaid with the Railway thereon and all Buildings
Works fixed Machinery Telegraphs and conveniences whatsoever belonging to or con-
nected with the said Railway shall revert to and become the property of the East
India Company on account of the Government of India free from all debts and
charges whatsoever (save such as shall have been sanctioned by the East India Com-

pany) and any lands in Great Britain which may then be held by the said Railwa
Company for the purpose of their business shall be sold and the clear monies to l
produced by such sale shall be paid to the East India Company on the same accour
And the said Railway Company shall deliver to the East India Company as their pr
perty on the same account all Plans Surveys Sections Books Printings Writing
Drawings and Documents whatsoever in anywise connected with the undertaking an
affairs of the said Railway Company and the said Railway Company shall sell to th
East India Company who shall be bound to purchase the same all the moveabl
Engines Carriages Stock Machinery and Plant which shall be then used in workin
the said Railway or otherwise in connection therewith or belonging thereto for suc
sum of money as shall be the fair value thereof the same to be determined in case c
difference by a Valuation to be made by Referees or their Umpire in the manne
provided by the Company's Clauses Consolidation Act 1845 and the East India Com
pany shall pay to the said Railway Company in London the sum of money to be s
determined within four months after such determination with interest thereon at th
rate of Five per cent per annum from the expiration of the said term of Ninety nin
years.

Surrender.

21. **That** after any portion of the said Line of Railway shall have been finish
ed and in work for three calendar months at least it shall be lawful for the said Rail
way Company then or at any time thereafter during the said term of Ninety nin
years to give Notice in writing of their intention to surrender and relinquish the sai
Railway and Works to the East India Company on any day to be mentioned in suc
Notice so that such Notice be served at least six calendar months before that da
both on the East India Company in London and also on the Secretary of Govern
ment at Madras And in case of such Notice being given the said Railway Compan
shall at the expiration thereof surrender and relinquish the said Railway and Work
accordingly together with the Telegraphs (if any) And shall with all convenient spee
sell any lands in Great Britain which may then be held by the said Railway Compan
for the purpose of their business and pay the clear monies to be produced by suc
sale to the East India Company and shall deliver to the East India Company th
moveable Engines Carriages Stock Plant and Machinery belonging to the sai
Railway and Works and all Plants Surveys Sections Printings Writings Drawings and
Documents whatsoever connected with the undertaking and affairs of the said Rail-
way Company and the East India Company shall be bound to accept the premises
to be so surrendered and delivered It being expressly agreed that the said Railway
Works Telegraphs Engines Carriages Stock Plant and Machinery shall at the time
of such surrender and delivery be in good working order according to the Covenant in
that behalf hereinbefore contained on the part of the said Railway Company and im-
mediately upon such surrender and delivery being made the East India Company
shall be bound to pay to the said Railway Company the Capital expended by the said
Railway Company upon the said Railway Works and premises so to be surrendered
and delivered such expended Capital being ascertained and certified in the manner
hereinbefore mentioned together with such parts (if any) of the Capital of the said
Railway Company as shall remain in the hands of the East India Company and to
discharge and indemnify the said Railway Company from all debts and liabilities in-
curred with the sanction of the East India Company and thereupon the Covenants
hereinbefore contained for payment of interest shall cease as from the day upon
which the East India Company shall be bound to accept the said Railway and Works
and all claims by the East India Company on account of interest or otherwise on the
said Railway Company shall also cease except that the East India Company shall be
at liberty to retain out of any monies payable to the said Railway Company the amount
of all other claims or demands of any sort then [illegible] st the said Railway

Company on their revenue account in respect of their undertaking and which shall
not have been fully satisfied and discharged until the same shall have been shewn to
be so satisfied and discharged PROVIDED ALSO that the East India Company
shall not be liable to refund any sum expended in the maintenance or working of the
line or any part thereof after the same shall have been opened which sum is to be
provided by the said Railway Company out of the revenues of the line and interest as
hereinbefore provided or otherwise.

Purchase.

22. **That** at any time within six Calendar months after the expiration of the
first twenty five years of the said term of Ninety nine years or at any time within six
months after the expiration of the first Fifty years of the same Term it shall be lawful
for the East India Company to give notice to the said Railway Company in London
and at Madras of their intention to purchase the said Railway and Works together
with the Stations and Telegraphs (if any) and the moveable engines carriages stock
plant and machinery belonging to the said Railway and Works but subject to such
debts and liabilities (if any) as may have been incurred to the East India Company
(exclusive of any arrears of interest on the Capital of the said Railway Company paid
by the East India Company under the conditions of this Agreement which shall not
have been repaid) or to any person or persons with the sanction of the East India
Company and to interest on such of the said debts as carry interest from the day on
which they shall take possession of the said Railway but not from any earlier time
and thereupon at the half yearly day next but one following such notice the land to
be provided as aforesaid with the Railway thereon and all buildings works fixed
machinery telegraphs and conveniences whatsoever shall revert to and become the
property of the East India Company as the Owners thereof by purchase on account
of the Government of India and in case any lands in Great Britain shall then be held
by the said Railway Company for the purpose of their business the same shall be
sold and the clear monies to be produced by such sale shall be paid to the East India
Company and the said Railway Company shall at the same time deliver to the East
India Company the moveable engines carriages stock plant and machinery belonging
to the said Railways and Works and all plans surveys sections books printings drawings
writings and documents whatsoever in anywise connected with the undertaking and
affairs of the said Railway Company or relating thereto and the East India Company
shall be bound to pay in London on the said half yearly day for the purchase of all
the same premises a sum equal to the full amount of the value of all the shares and
Capital stock in the said Railway Company calculated according to the mean market
value in London of such shares or stock during the three years immediately preceding
the expiration of the said period of twenty five years or the said period of fifty years
as the case may be and shall also be bound to indemnify the said Railway Company
against all such debts and liabilities (if any) as they may have incurred to or with the
sanction of the East India Company and as shall be then subsisting and thereupon
the Covenants hereinbefore contained for payment of interest shall cease.

Possession as a remedy.

23. **That** if default shall be made by the said Railway Company in the raising
and payment of the said sum of One million pounds or any of the instalments thereof
or of such further Capital as shall be required for the purposes hereinbefore men-
tioned or in the due application of any monies drawn from the said Treasury in Lon-
don or in India as aforesaid or in the execution of the said Railway and Works and
Telegraph conformably with their aforesaid Covenants in that behalf or in case the
said Railway and Telegraph (if any) shall not be worked to the satisfaction of the
East India Company or in case of any other breach on the part of the said Railway
Company of any of the Covenants herein contained it shall be lawful for the East
India Company on giving to the said Railway Company at Madras three calendar
months notice of their intention in that behalf to terminate the interest of the said

Railway Company in the said land Railway Telegraphs and Works and to assume possession of the said land Railway Telegraphs and Works and of all or any of the engines carriages stock plant and machinery provided for the same and all plans surveys sections books printings drawings writings and documents whatsoever in anywise connected with the undertaking and affairs of the said Railway Company or relating thereto and in that case any lands in Great Britain which may be held by the said Railway Company for the purpose of their business shall with all convenient speed be sold and the clear monies to be produced by such sale shall be paid to the East India Company and in case of such notice being given the East India Company shall be liable to repay within six Calendar months after its expiration to the said Railway Company in London the Capital expended by the said Railway Company so ascertained and certified as hereinbefore mentioned after a proper deduction for all debts and liabilities then affecting the said Railway Company or the property of the said Railway Company the money so to be repaid to include so much (if any) of the Capital of the said Railway Company as shall then remain in the hands of the East India Company and also to discharge exonerate and indemnify the said Railway Company from all debts obligations and liabilities incurred with the sanction of the East India Company and thereupon the Covenants of the East India Company hereinbefore contained for payment of interest shall cease and all claims by the East India Company on the said Railway Company shall also cease the intention of the parties hereto being that in case of the exercise by the East India Company of the powers or authorities by this Clause given to them the said Railway Company shall receive back their Capital expended and that the exercise of the said powers shall be the only penalty to which the said Railway Company shall be liable in case of default in raising sufficient Capital for the purposes aforesaid or in constructing and working the said Railway to the satisfaction of the East India Company.

Repairs by the East India Company.

24. **That** if default shall be made by the said Railway Company after the line or any portion thereof shall have been opened in their Covenant to keep the said Railway and Works and Telegraph (if any) or such part thereof as shall have been completed in repair and condition for the space of one Calendar month next after notice in writing in that behalf from the East India Company to the said Railway Company at Madras it shall be lawful for the East India Company by their Agents to enter on the said Railway and Works including the Telegraph (if any) and to do and execute all such works as may be required for fulfilling the said Covenant and to charge the expences of the same against the said Railway Company by setting off the amount of such expences against any monies then payable or which shall thereafter become payable by the East India Company for interest in manner hereinbefore mentioned which interest shall in such case to that extent be considered as paid and satisfied by such set off or retainer and shall for all the purposes of these presents be regarded and considered as interest actually paid by the East India Company to the said Railway Company in pursuance of their Covenant in that behalf hereinbefore contained and if such expences shall not be satisfied by such set off and Retainer as aforesaid then the East India Company may set off and deduct the same against and from all or any part of any other monies which shall on any account whatsoever be or become payable by the East India Company to the said Railway Company.

Annuity Commutation.

25. **That** in every or any case in which under the provisions of these presents the East India Company shall before the expiration of the said term of ninety nine years become bound to repay the Capital expended by the said Railway Company as aforesaid or to pay for the purchase of the said Railway Works and Stock it shall be lawful for the East India Company instead of paying a gross sum of money in respect of the premises to declare by notice to the said Railway Company in London their option to pay an Annuity to be reckoned from the time when the gross amount

would be payable and to continue during the residue of the said term of ninety nine years and in that case such Annuity shall be payable in London on such two half yearly days in the year as shall be selected by the East India Company in that behalf with a fractional part for any broken half year the rate of interest which shall be used in calculating such Annuity being determined by the average rate of interest during the preceding two years received in London upon public obligations of the East India Company and which shall be ascertained by reference to the Governor and Deputy Governor of the Bank of England for the time being **Provided always** that the aforesaid option shall not apply to the undrawn portion of the Capital of the said Railway Company which portion is to be repaid to the said Railway Company with interest under the provision in that behalf hereinbefore contained in case the said Railway Company shall relinquish or be deprived of the said Railway and Works as aforesaid.

Return of Surplus.

26. **That** if after the said Railway and Works including the Telegraph if required shall have been completed and furnished with adequate working Stock the whole of the Capital raised by the said Railway Company shall not have been required for the purpose of the said Capital Account the surplus thereof shall to the extent to which the same shall have been received by the East India Company be refunded by the East India Company to the said Railway Company in London with such interest as shall be due on such Capital at the time and thereupon the aforesaid Covenants for payment of interest shall no longer apply to the Capital which shall have been so refunded.

Sanction of the East India Company.

27. **That** any notice direction approval or sanction to be given or signified on the part of the East India Company for any of the purposes of these presents shall be sufficient and binding if signed by the Secretary or Deputy Secretary of the East India Company in London or by the Secretary of the Government at Madras or by any other Officer or Servant of the East India Company duly authorized to act on behalf of the East India Company in respect of the matters to which the same shall relate and that the East India Company shall not in any case be bound in respect of the matters aforesaid unless by some writing signed in the manner before mentioned.

Railway Office in Madras and Agent.

28. **That** the said Railway Company shall keep an Office of the said Railway Company at all times hereafter during the said term established at Madras or at such other place or places as shall be agreed upon between the East India Company and the said Railway Company and the said Railway Company shall keep at the said Office an authorized Agent or authorized Agents with whom the East India Company and the Government of Madras may communicate on affairs concerning the said Railway and all Drafts drawn by the said Agent or Agents on behalf of the said Railway Company and all receipts of and Acts done by such Agent or Agents on behalf of the said Railway Company or concerning the said Railway Works and Stock shall be binding on the said Railway Company and every notice to be given to the said Railway Company shall be sufficiently given if left at the said Office or personally served on such Agent or Agents.

Legislation in India.

29. **That** the East India Company shall promote the passing by the Governor General of India in Council of any Act or Acts which shall be necessary or convenient for enabling the said Railway Company to fulfil in India the objects of their undertaking according to the terms and provisions of these presents **In witness** whereof the said East India Company and the Great Southern of India Railway Company have hereunto caused their common seals to be affixed the day and year first above written.

CONTRACT

FOR

VARYING THE INDENTURE OF CONTRACT,

DATED 1ST SEPTEMBER 1858.

FOR

THE GREAT SOUTHERN OF INDIA RAILWAY,

DATED 14TH FEBRUARY 1860.

This Indenture made the Fourteenth day of February One thousand eight hundred and sixty **Between** THE SECRETARY OF STATE IN COUNCIL of the one part and THE GREAT SOUTHERN OF INDIA RAILWAY COMPANY Incorporated by an Act of Parliament made and passed in the Session of the twenty-first and twenty-second years of the Reign of Her present Majesty intituled " An Act to incorporate and regulate the " Great Southern of India Railway Company and for other purposes connected therewith" of the other part **Whereas** by the Act of the twenty-first and twenty-second years of Her Majesty Chapter 106 intituled' " An Act for the better Government of India" it was by the first section thereof provided that the Government of the Territories then in the possession or under the Government of the East India Company and all powers in relation to such Government vested in or exercised by the said Company in trust for Her Majesty should cease to be vested in or exercised by the said Company and that all such Territories and all rights in relation thereto should become vested in Her Majesty and be exercised in Her name and it was by the third section thereof provided that save as therein otherwise provided one of Her Majesty's Principal Secretaries of State should have and perform all such or the like powers and duties in anywise relating to the Government or Revenues of India as might or should have been exercised or performed by the East India Company and it was by the seventh section thereof provided that a Council should be established to consist of fifteen Members and to be styled the Council of India and it was by the twenty-second section thereof provided that all powers by that Act required to be exercised by the Secretary of State in Council and all powers of the Council should and might be exercised at meetings of such Council at which not less than five Members should be present and it was by the fortieth section provided that the Secretary of State in Council with the concurrence of a majority of votes at a Meeting should have full power to enter into any Contracts whatsoever as might be thought fit for the purposes of that Act and it was by the sixty-fourth section thereof provided that all Acts and provisions then in force under Charter or otherwise concerning India should subject to the provisions of that Act continue in force and be construed as referring to the Secretary of State in Council in the place of the said Company and it was by the sixty-seventh section thereof provided that all Contracts convenants liabilities and engagements of the East India Company made incurred or entered into before the commencement of that Act might be enforced by and against the Secretary of State in Council in like manner and in the same Courts as they might have been by and against the East India Company if that Act had not been passed. **And whereas** by the Act of the twenty-second and twenty-third years of Her Majesty Chapter 41 intituled " An Act to amend the Act for the better Government of India" it was by the fifth section thereof provided that from and after the passing of that Act all Contracts in writing entered into by the Secretary of State in Council with the concurrence of a majority of votes at a meeting may be expressed to be made by the Secretary of State in Council under that designation and if such as if made between private persons would be by Law required to be under seal may be made varied or discharged under the hands and seals of two Members of the Council or if such as if made between private persons would be by Law required to be signed by the parties to be charged therewith may be made varied or discharged under the hands of two Members of the Council and that the benefit and liability of such Contracts should pass to the Secretary of State in Council for the time being **And whereas** by an Indenture dated the first day of September One thousand eight hundred and fifty-eight and made between the East India Company of the one part and the said Great Southern of India Railway Company of the other part being a Contract between the East India Company and the said Railway Company in relation to the constructing maintaining and working Railways and the performance of other matters and things incidental or conducive thereto and which Contract the said Railway Company by their said Act of Incorporation were empowered to enter into it was amongst other things provided that the sum of One million pounds sterling should be the amount to be raised for the purpose of the line of Railway to which the said Indenture relates and since the execution of the said Indenture it has been ascertained that the sum of Five hundred thousand pounds sterling or thereabouts will be sufficient for the said line of Railway and it has therefore been agreed between the Secretary of State in Council and the said Great Southern of India Railway Company that the covenants and provisions of the said Indenture should be varied in manner hereinafter mentioned **Now this Indenture witnesseth** that in pursuance of the said Agreement IT IS HEREBY EXPRESSLY DECLARED AND AGREED by and between the Secretary of State in Council and the said Great Southern of India Railway Company that the sum of Five hundred thousand pounds sterling shall be substituted for the sum of One million pounds sterling wheresoever the said last mentioned sum occurs in the said Indenture and that the several covenants clauses and provisions of the said Indenture shall be construed and take effect as if the said sum of Five hundred thousand pounds had been originally inserted in the said Indenture in lieu of the said sum of One million pounds and that in all other respects the said several covenants clauses and provisions shall remain in full force and effect subject only to the operation of the said Act of the twenty-first and twenty-second years of Her Majesty. **In witness** whereof Sir Proby Thomas Cautley and Ross Donnelly Mangles, Esquire, being two Members of the Council of India have hereunto set their hands and seals and the said Railway Company have caused their common seal to be affixed the day and year first above written.

Signed Sealed and Delivered by the said Sir Proby Thomas Cautley and Ross Donnelly Mangles being two Members of the Council of India in the presence of

F. MANGLES.

PROBY T. CAUTLEY,

ROSS D. MANGLES,

Passed under the Common Seal of the said Company in the presence of

ROBERT R. NOTMAN,

Manager and Secretory.

Exd. F. Cartledge.

CONTRACT

FOR

GUARANTEEING INTEREST

ON

LOANS ON MORTGAGE.

DATED 23RD AUGUST 1860.

This Indenture made the twenty-third day of August One thousand eight hundred and sixty BETWEEN THE SECRETARY OF STATE IN COUNCIL OF INDIA of the one part and THE GREAT SOUTHERN OF INDIA RAILWAY COMPANY (incorporated by "The Great Southern of India Railway Act 1858" which Act has been lately amended by The Great Southern of India Railway Amendment Act 1860) of the other part. WHEREAS under the provisions of the said last mentioned Act the said Railway Company have power from time to time to borrow on mortgage on the security of their undertaking and the revenues therefrom and of the guarantee given by a certain Indenture dated the first day of September One thousand eight hundred and fifty-eight and made and entered into between the East India Company of the one part and the said Railway Company of the other part and of any additional or further guarantee which the Secretary of State in Council of India might agree to give for the purposes thereof any sums not exceeding in the whole One hundred and sixty-six thousand pounds and by such Act it is provided that every mortgage shall be countersigned by some Officer appointed for the purpose by the Secretary of State in Council of India. AND WHEREAS it has been lately agreed between the Secretary of State in Council and the said Railway Company that the said Railway Company should raise money on loan to the extent of Ninety thousand pounds and should execute and issue mortgages countersigned on behalf of the Secretary of State in Council to the persons who should be respectively willing to advance monies in respect of such sum. And that the Secretary of State in Council should guarantee the payment of the principal monies secured by any mortgages issued by the said Railway Company as aforesaid and of the interest thereof in manner hereinafter mentioned. AND WHEREAS the mortgages to be issued by the said Railway Company in respect of the said sum of Ninety thousand pounds are to be in accordance with a form which has been approved by the Secretary of State in Council and by such form of mortgage the said Railway Company in consideration of the sum therein mentioned to be paid to them by the person therein named and described assign unto the said person his executors administrators and assigns the undertaking of the Great Southern of India Railway and the revenues therefrom and the benefit of the guarantee given and made by the said Indenture of the first day of September One thousand eight hundred and fifty-eight as varied by an Indenture bearing date the fourteenth day of February One thousand eight hundred and sixty and made between the Secretary of State in Council of the one part and the said Railway Company of the other part and the benefit of every or any further guarantee which shall or may be given by the Secretary of State in Council for the purposes of the said undertaking, And all the estate right title and interest of the Company in the same to hold unto the said person his executors administrators and assigns until the said sum therein mentioned together with interest for the same at the rate of Five pounds per centum per annum be satisfied and by such form the said Railway Company covenant for themselves and their successors to pay to the said person his executors administrators and assigns the said principal sum therein mentioned on the first day of July One thousand eight hundred and sixty-five and also to pay to the said person his executors administrators and assigns the interest thereon at the rate aforesaid half yearly on the first day of July and the first day of January in each year on presentation at the Union Bank of London of the Coupons annexed to the mortgage and in such form is contained a declaration that the holder for the time being of the mortgage is to have the option at the expiration of twelve months from the date thereof and thenceforward at any time before the same becomes payable to exchange the mortgage for shares in the Company to the same amount upon which interest at the rate of Five pounds per centum per annum is guaranteed by the Secretary of State in Council of India on leaving with the Secretary of the Company at the Offices of the Company in London one Calendar month's notice in writing of his desire so to do and at the same time delivering up the mortgage with such of the Coupons as have not then fallen due and that having so done he will at the expiration of such period be entitled to all the privileges and advantages of a Registered Proprietor in the Company. AND WHEREAS the covenants hereinafter contained on the part of the Secretary of State in Council are entered into with the concurrence of a majority of votes at a Meeting of the Council of India. NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and in consideration of the premises The said Great Southern of India Railway Company DO hereby for themselves and their successors (so far as the covenants and agreements hereinafter contained are to be observed and performed by them) COVENANT with the Secretary of State in Council And the Secretary of State in Council DOTH hereby (so far as the covenants and agreements hereinafter contained are to be observed and performed on the part of the Secretary of State in Council for the time being) COVENANT with the said Great Southern of India Railway Company and their successors in manner following (that is to say.)

1. THAT the said Railway Company shall and will from time to time until the whole of the said sum of Ninety thousand pounds shall have been advanced receive sums of money on loan from any persons respectively willing to advance the same at interest at the rate of Five pounds per centum per annum and shall and will execute and issue mortgages in accordance with the said form to such persons respectively for securing the repayment of the principal sums advanced by them respectively on the first day of July One thousand eight hundred and sixty-five and the payment of the interest on the first day of July and the first day of January in every year.

2. THAT all sums of money which shall be at any time received by the said Railway Company in respect of the said sum of Ninety thousand pounds shall be forthwith paid into the Bank of England to the credit of the account of the Secretary of State in Council and in respect of any sum or sums so received by the said Railway Company on loan and paid into the Bank to the credit of the said Account money may be drawn and applied by the said Railway Company in like manner as under or by virtue of the provisions in that behalf contained in the said Indenture of Contract dated the first day of September One thousand eight hundred and fifty-eight as varied by the said Indenture dated the fourteenth day of February One thousand eight hundred and sixty it could be drawn and applied if such sum or sums had been capital paid by the said Railway Company into the Bank of England to the credit of the said account under the said Indenture.

3. THAT the Secretary of State in Council shall and will from time to time as often as and when the half yearly interest payable in respect of such of the mortgages issued by the said Railway Company in respect of the said sum of Ninety thousand pounds as shall not previously to the time of payment of interest have been exchanged for shares shall become due and so as duly to provide for the payment of such interest pay out of the Revenues of India the amount of such interest into the Union Bank of London or other the Bankers for the time being of the said Railway Company to an account to be called "The Great Southern of India Railway Mortgage Account" and shall and will on the first day of July One thousand eight hundred and sixty-five duly pay out of the Revenues of India to the same Account the amount of the principal sums payable on such day on such of the said mortgages as shall not previously to such day have been exchanged for shares and that notwithstanding anything contained in any mortgages executed and issued as aforesaid the said Railway Company shall not be subject or liable to any action or suit at Law or in Equity upon or by virtue of such mortgages but that the Secretary of State in Council shall and will at all times hereafter the costs and charges being defrayed out of the Revenues of India well and sufficiently protect save harmless and keep indemnified the said Railway Company and their lands tenements goods chattels and effects whatsoever of from and against all actions suits losses costs charges damages and expenses whatsoever which they shall or may suffer sustain expend or be put unto or which shall or may be commenced instituted sued or prosecuted against them by reason or in consequence of the said mortgages or any of them.

4. THAT upon the holder of any of the mortgages issued in respect of the said sum of Ninety thousand pounds availing himself of the option given to him under the terms of his mortgage and exchanging the said mortgage for shares in the Company to the same amount the Secretary of State in Council shall during the then residue of the determinable term of Ninety-nine years from the first day of May One thousand eight hundred and fifty-eight pay out of the Revenues of India to the said Railway Company half yearly on the thirtieth day of June and the thirty-first day of December in every year interest at the rate of Five pounds per centum per annum on the capital sum represented by the mortgages which shall have been so exchanged such interest being

considered in the first instance as running from the last day on which interest shall have become payable on the same mortgages previously to the exchange thereof for shares.

5. THAT the sums hereinbefore agreed to be paid by the Secretary of State in Council for interest as aforesaid shall be in full satisfaction of all interest which under the said Indenture of Contract of the first day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the fourteenth day of February One thousand eight hundred and sixty would or might become payable in respect of the principal monies raised by mortgages and paid into the Bank of England to the Account of the Secretary of State in Council.

6. THAT the provision contained in the said Indenture of the first day of September One thousand eight hundred and fifty-eight with respect to the application of the half yearly net receipts of the said Railway Company in payment of the interest therein mentioned so as to exonerate the East India Company from the same and with respect to the application of one half of the surplus of such net receipts in the re-payment of any sums previously paid for interest with simple interest on such sums shall apply to the interest hereinbefore agreed to be paid as aforesaid and that in applying the same provision the simple interest on sums previously paid for interest shall in all cases be reckoned at the same rate as the interest in respect of which such sums were so paid.

7. THAT all monies which under the covenant hereinbefore in that behalf contained shall be paid by the Secretary of State in Council in satisfaction of the principal monies secured by such of the mortgages issued in respect of the said sum of Ninety thousand pounds as shall not be exchanged for shares shall be treated and considered as capital contributed by the Secretary of State in Council out of the Revenues of India to the Joint Stock of the said Railway Company and in order to give full effect to the rights of the Secretary of State in Council in respect of the capital so contributed the Secretary of State in Council shall be at liberty at any time to name a person or persons into whose name or names as Trustee or Trustees for Her Majesty on account of the Government of India an equivalent number of shares or amount of Capital Stock may be placed and registered and thereupon such shares or Capital Stock shall be so entered and registered accordingly and such person or persons shall be and possess all the rights of shareholders in the said Railway Company.

8. THAT subject to the provisions herein contained the covenants and provisions of the said Indenture of the first day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the fourteenth day of February One thousand eight hundred and sixty so far as the same are now subsisting and capable of taking effect shall be and remain in full force and effect. IN WITNESS whereof CHARLES MILLS and ELLIOT MACNAGHTEN Esquires being two Members of the Council of India have hereunto set their hands and seals and the said Great Southern of India Railway Company have hereunto affixed their Corporate Seal on the day and year first above written.

Signed Sealed and delivered by the above named Charles Mills and Elliot Macnaghten being two Members of the Council of India in the presence of

C. MILLS.

E. MACNAGHTEN.

E. P. A. THOMPSON.

HENRY W. NOTMAN,

Secretary.

DATED 23RD AUGUST 1860.

Contract

BETWEEN

THE SECRETARY OF STATE

IN COUNCIL

AND

THE GREAT SOUTHERN OF INDIA

RAILWAY COMPANY.

CONTRACT

FOR

THE CONSTRUCTION

OF

A PIER AT MADRAS.

DATED THE 9TH NOVEMBER 1858.

Articles of **Agreement** indented had made concluded and agreed upon this ninth day of November in the year of our Lord One thousand eight hundred and fifty eight **Between** FREDERICK JOHNSON of North Street in the City of Westminster Civil Engineer of the one part, and ELLIOT MACNAGHTEN of 46 Eaton Square in the County of Middlesex Esquire, CHARLES MILLS of Camelford House Oxford Street in the same County Esquire and WILLIAM ARBUTHNOT of Bridgers Bexley in the County of Kent Esquire being three of the Members of the Council of India acting under the authority and on behalf of the Secretary of State in Council of the other part.

Witness that for and in consideration of the payments hereafter expressed and intended to be made to the said Frederick Johnson his Executors or Administrators He the said Frederick Johnson Doth hereby for himself, his Heirs, Executors and Administrators covenant promise and agree with and to the said Elliot Macnaghten, Charles Mills and William Arbuthnot and each of them acting on behalf of the said Secretary of State in Council that he the said Frederick Johnson his Executors or Administrators shall and will construct and erect a Pier projecting into the Sea at Madras in the East Indies of the dimensions and form and with the materials hereinafter mentioned and described and do and perform such other works in connection therewith as herein and in the Specification hereunder written and in a certain Plan or Drawing which accompanied the Specification delivered at the East India House by Messrs. Saunders and Mitchell on or about the Thirtieth day of April One thousand eight hundred and fifty six are more particularly mentioned and described and subject to such articles and stipulations terms and conditions and to such deviations from and additions to the Works shewn on the said Drawing as hereinafter and in the Specification hereunder written are particularly mentioned or referred to in that behalf at or for the price or sum of One hundred and three thousand six hundred and sixteen Pounds.

That the whole of the Works to be executed in pursuance of this Contract shall be performed under the superintendence and subject to the control and approval in all respect of such Engineers or Engineer as shall be appointed by the Government at Madras for that purpose.

That the said Frederick Johnson shall forthwith send to Madras a competent Superintendent of the Works with a sufficient staff of skilled Workmen who shall arrive at Madras not later than the Thirty first day of One thousand eight hundred and fifty nine and such Superintendent shall immediately on his arrival at Madras report himself to the Government at Madras and shall within ten months from the day of the date of this Contract screw down the first Pile at the site not being more than twenty yards from high water mark to be appointed by the Madras Government and which site it is hereby agreed shall be appointed as soon as convenient and at all events within one month after such Superintendent shall have reported himself to the Madras Government and the said Pier shall be in every respect completed and finished and delivered to the Government at Madras within two years and a half from the time of screwing down the first Pile as aforesaid and to the entire satisfaction of the said Engineers or Engineer.

That the delivery of the Works into the hands of the Government at Madras or to such person or persons as they may appoint shall not be deemed a full and complete delivery to the Government at Madras until a Certificate in writing by the said Engineers or Engineer shall have been given to the effect that the Works have been executed in a substantial sound and workmanlike manner and that this Contract has been fully completed.

That the total length of the Pier shall be One thousand feet from high water mark on the Beach and the width of the main Pier shall be forty feet and at the outer end of the said Pier shall be constructed a square or T shaped head which shall be One hundred and sixty feet in length and forty feet in width.

That the level of the platform of the Pier shall be fifteen feet above high water mark throughout the whole length of the Pier.

That the mode of executing the Work shall subject to the approval of the said Engineers or Engineer be as follows, the entire width of the Pier shall be constructed simultaneously commencing at the shore and inserting the whole number of Piles in the breadth and the Platform shall be completed and the bracing and all other parts fixed whilst the next row of Piles and set of main bearers are being fixed in advance.

That the said Engineers or Engineer shall have power to make such additions to or deductions from the Work as they or he may think proper and to make such alterations and deviations as they or he may judge expedient during the progress of the Works, but such additions, deductions, alterations and deviations shall in no way annul or invalidate this Contract and the value of the same shall be ascertained and added to or deducted from the amount of the Contract price as the case may require.

That the said Engineers or Engineer shall have power from time to time to make such further Drawings and to give such further instructions as shall appear to them or him necessary for the guidance of the said Frederick Johnson his Executors or Administrators or for the sufficient execution of the Works according to the true meaning of these presents or for any further or other Works or for any alteration or deviation of the Works but the Government of India shall not be liable to pay any further charges for any such additions, alterations or deviations unless the instructions for the same shall have been given in writing under the hands of the said Engineers or Engineer and it shall not be lawful for the said Frederick Johnson his Executors or Administrators to claim any charge for such additions alterations or deviations or for any extra Work whatsoever unless the same shall be specially authorized by such writing and the Government at Madras may employ a person to superintend the Works on the part of the Government who shall have no authority to permit any addition alteration or deviation unless authorized in writing as aforesaid by the said Engineers or Engineer nor shall it be lawful for the said Frederick Johnson his Executors or Administrators to plead that such Government Superintendent sanctioned or allowed any addition alteration or deviation or additional Work unless he be also such Engineer as aforesaid.

That the said Engineers or Engineer shall have full liberty from time to time to examine the Workmanship and materials employed and apply all such tests to such Workmanship and materials as they or he shall deem expedient and if they seem improper or unfit for the several purposes to which they are applied or intended to be

applied shall have power to order the same to be removed or otherwise rectified or in case the same be not removed or rectified according to such order, shall themselves or himself remove or rectify the same and the expences incurred by such removal or rectification or to which the Government shall be thereby put shall be deducted from any sum that may be due or may become due to the said Frederick Johnson his Executors or Administrators but it shall be no lawful excuse for the said Frederick Johnson his Executors or Administrators that he or they shall have used improper materials or workmanship or shall have otherwise contravened this Contract without any objection by or with the sanction of the Government Superintendent.

That the said Frederick Johnson his Executors or Administrators shall not have it in his or their power to sublet the work or any portion of it without the consent in writing of the said Engineers or Engineer and such writing shall specify the person or persons to whom the same may be sublet.

That the said Frederick Johnson his Executors or Administrators shall give all necessary personal superintendence during the execution of the Works or shall employ competent persons as Superintendent and Foreman to manage in his or their absence and any drawings instructions or papers delivered to such Contractors, Superintendent or Foreman shall be executed and obeyed as if given to the said Frederick Johnson his Executors or Administrators and it shall be in the power of the said Engineers or Engineer to dismiss any Contractors, Superintendent or Foreman they or he may consider not skilled in the various trades or callings required in the performance of this Contract. And the said Frederick Johnson hereby agrees that Arthur Gilbert shall be his Agent and Superintendent at Madras in all matters connected with the performance of this Contract and shall so continue until notice shall have been given by the said Frederick Johnson his Executors or Administrators of the appointment of another Superintendent and the said Frederick Johnson hereby agrees that the said Arthur Gilbert shall be at Madras not later than the 31st March next.

That pending the performance of this Contract the Government shall have the full and free use of the Pier so far as it shall be constructed for the time being and may permit the use thereof by the public in such manner as the Government may think fit but such Pier shall not be used by the Government or by the authority thereof so as to obstruct the said Frederick Johnson his Executors or Administrators in the performance of this Contract.

That the Contract price herein agreed to be paid is hereby expressly declared to include the providing the materials of every sort, kind and description necessary and proper for the due and complete erection of the said Pier the freight of the same to Madras the construction and erection of the Pier the wages of Workmen and labor of every kind including superintendence on the part of the said Frederick Johnson whether personal or by his Agent or Foreman and the finding and providing all Tools which may be required and it is agreed that the foregoing particulars are not in any manner to affect the intended generality of this Clause.

That any other materials which shall be found requisite during the progress of the Works and not mentioned in this Contract and all Workmanship not herein particularly specified shall be of the best description and further that any matter or thing not herein particularly specified but which shall be necessary for the completion of the Works hereby contracted to be performed in a fair and complete manner shall nevertheless be done and performed by the said Frederick Johnson his Executors or Administrators without any additional charge for the same except for extra Work.

That the said Frederick Johnson his Executors or Administrators shall deliver up to the said Engineers or Engineer on the completion of the Works, all Plans, Drawings, Papers, Specifications and Documents which may be delivered to him or any persons in his employ for his or their use and the said Engineers or Engineer shall have access to them at all times during the progress of the Works and for all purposes and the same shall be kept near the Works.

That that the said Frederick Johnson his Executors and Administrators notwithstanding the use of the said Pier and other Works for the purposes for which the same are intended shall be responsible for and effectually maintain and uphold at his and their own costs and charges in all things in a good, sound and perfectly secure condition, all and every part of the said Pier and other Works for a period of six months from the date of the Certificate of delivery hereinbefore referred to and shall be liable for all damages expences or losses the Government shall sustain or incur in consequence of the failure or destruction of any portion of the Works from any cause whatever during such period of six Calendar months damage by Lightning or Fire the Queen's enemies Riot or insurrection only excepted.

That all the Piles, Screws, Ironwork and other materials for the construction of the said Peir shall be open to the inspection at all times of the Engineer or other person to be appointed by the Government for that purpose and no Piles, screws, ironwork or other materials shall be shipped for India by or on the part of the said Frederick Johnson his Executors or Administrators without giving fifteen days' previous notice to the Finance, Home, and Public Works Committee of the Council of India in order that such materials may be inspected and approved or rejected by the person so to be appointed as last aforesaid and the said Frederick Johnson shall give all necessary facilities and assistance to the person so to be appointed for testing such materials.

That the said Frederick Johnson his Executors or Administrators shall make shipments for India of the Piles, Screws, Ironwork and other materials for the said Pier at the times and in the proportions and by the instalments after mentioned that is to say at least one equal tenth part of all such Piles, Screws, Ironwork and other materials for the said Pier within four Calendar months from the day of the date of these presents. One other tenth part before the expiration of six Calendar months from the date last specified. One other tenth part before the expiration of Eight Calendar months from the said date. One other tenth part before the expiration of Ten Calendar months from the said date. One other equal tenth part before the expiration of Twelve Calendar months from the said date. One other equal tenth part before the expiration of Fourteen Calendar months from the said date. One other equal tenth part before the expiration of Sixteen Calendar months from the said date. One other equal tenth part before the expiration of Eighteen Calendar months from the said date. One other equal tenth part before the expiration of Twenty Calendar months from the said date, and the whole remainder of the materials before the expiration of Twenty-two Calendar months from the day of the date of these presents and shall immediately after every Shipment deposit with the said Finance, Home and Public Works Committee the Bill of Lading and Policy of Insurance of such materials and that upon the deposit of every such Bill of Lading and Policy of Insurance the materials comprised in such Bill of Lading shall be considered and become vested in the said Secretary of State in Council for the use of Her Majesty for the service of the Government of India for the carrying out of this Contract and all such further acts shall be done by the said Frederick Johnson his Executors or Administrators as shall be necessary for giving effect to this Clause.

That if it should appear at any time to the said Government at Madras or to the said Engineers or Engineer that the said Frederick Johnson his Executors or Administrators is or are not using sufficient diligence in carrying on the Works so as to ensure their completion at the times and in the manner herein specified or should the said Frederick Johnson his Executors or Administrators become Insolvent or Bankrupt it shall be lawful for the said Government or the said Engineers or Engineer either with or without the authority of the Arbitrator hereinafter referred to, to take possession of the Works, and to complete the same, and for that purpose to take and use the plant, tools and materials of the said Frederick Johnson his Executors or Administrators and to sell and dispose of the same as the absolute property of the Government of India, and the proceeds shall be applied in payment of the Claims (if any) of the Government of India against the said Frederick Johnson his Executors or Administrators and that it shall in the said event be in the option of the Secretary of State in Council or the Government at Madras to recontract for the execution of the Works or any part thereof, or employ Workmen from time to time under the direction of the said Engineers or Engineer until the same is duly completed all at the expence of the said Frederick Johnson his Executors or Administrators and any sum which may ultimately appear to be due to the said Frederick Johnson his Executors or Administrators shall be paid to him or them after deducting all loss, damages, expences and disbursements sustained and paid by the Government of India at the expiration of six Calendar months from the completion of the said Pier and in case such sum shall not be sufficient to defray such loss, damages, expences and disbursements the said Frederick Johnson his Executors or Administrators shall pay the deficiency to the said Secretary of State in Council or to the Government of Madras.

That in the event of the said Frederick Johnson his Executors or Administrators failing to complete the Contract at the expiration of the time herein mentioned for that purpose he shall be liable to pay to the Government the sum of Ten pounds for each and every day which shall elapse between the said period and the actual time of completion to be mentioned in the Certificate of delivery hereinbefore referred to, and the same shall be subject to be deducted from any money which shall be due to the said Frederick Johnson his Executors or Administrators and should such money be insufficient the said Frederick Johnson his Executors or Administrators shall pay the difference **And** THESE PRESENTS FURTHER **Witness**

That in case and upon Condition that the said Frederick Johnson his Executors or Administrators do and shall in all things well and truly perform, observe, fulfil and keep the several covenants and agreements herein contained and which on his part ought to be performed, observed, fulfilled and kept up to the respective times when the payments hereinafter mentioned are intended to be made there shall be paid to him or them in London the before mentioned Contract price by the instalments and at the times hereinafter mentioned that is to say the sum of Five thousand Pounds within one month from the day of the date of these presents, the sum of Five thousand five hundred Pounds within One Calendar month after the completion of the Shipment of every such instalment of One tenth of the Materials as aforesaid and the delivery in manner aforesaid of the Bills of Lading and Policies of Insurance the sum of Five thousand Pounds within One Calendar month after the production of a Certificate from the Engineer or Engineers for the time being of the Government at Madras of the completion to their satisfaction of each Two hundred feet in length of the said Pier and the balance of the money payable to the said Frederick Johnson his Executors or Administrators within One Calendar month after the production of the Certificate of the said Engineers or Engineer of the full completion of this Contract by the said Frederick Johnson his Executors or Administrators **And it is** HEREBY MUTUALLY AGREED AND DECLARED that if and whenever any doubt dispute or difference shall arise concerning the said Works or relating to the quantity or quality of the several Materials to be employed or as to any additions, deductions, alterations or deviations made to in or from the said Works or concerning the meaning of this Contract or any clause matter or thing herein contained or regarding any matter or thing concerning the premises or as to any of the Plans, Drawings or Instructions herein referred to, or which have been or shall be delivered to the said Frederick Johnson his Executors or Administrators every such doubt dispute or difference shall from time to time be referred to and decided by the Engineer in Chief to the Government at Madras for the time being and in the event of his failing or declining to act then by some Engineer to be appointed by the Government at Madras, and the decision, valuation, or award interim or final of such Engineer in Chief or the said Engineer so to be appointed as the case may be shall be final and binding upon both parties to these presents and shall not be set aside on account of any technical or legal defect whatever.

That one moiety of the costs of the Solicitor to the Secretary of State in Council in respect of these presents and of a Bond for securing the due performance of the said Contract shall be paid by the said Frederick Johnson. **In witness** whereof the said parties hereto have hereunto set their hands and seals the day and year first above written.

The Specification ABOVE REFERRED TO.

IRONWORK.

Screw Piles.

The Screw Piles are to be of solid wrought Iron, arranged as shewn upon the Drawings in rows ten feet apart throughout the whole length of the main Pier.

Each row is to contain four Piles the two outer ones to be eight inches in Diameter, and the two inner ones six inches in Diameter. The Screws are to be three feet in Diameter.

The entire number of the Piles shall be of such lengths as to admit of their being imbedded in the sand or bed of the Sea to the depth respectively of Eleven, Thirteen and Fifteen feet that is to say the first twenty-five rows of Piles from high water mark to the depth of eleven feet the next twentyfive rows of Piles to the depth of Thirteen feet and all the remaining Piles to the depth of Fifteen feet and so that the Platform shall be Fifteen feet above high water mark throughout the whole length of the Pier.

The Piles are to be braced together transversely in the manner shewn upon the Drawings by Wrought Iron T braces or struts five inches in width.

The two outer rows of Piles are also to be braced longitudinally by Wrought Iron tension Rods, Two and a quarter inches in Diameter lightened by Screw couplings and secured to the Piles by Wrought Iron clips and bands.

The Piles struts and tension Rods in the Pier head are to be of similar dimensions to those above described, and to be arranged as shewn in the Drawings.

TIMBER WORK.

Timber Platform.

The whole of the Woodwork to be used in the construction of the Pier and other Works is to be good Baltic (memel) Timber properly creosoted or Teak.

Throughout the main Pier transverse beams are to be fixed over each row of Piles and bolted to cast Iron scap fitted to the Pile heads.

Upon these transverse beams are again to be bolted ten longitudinal beams and the framework is to be further strengthened by the addition of diagonal stiffening pieces in the manner shewn upon the Drawings.

The framework of the Pier head is to be of the same general character, with such modifications as in the judgment of the Engineer or Engineers for the time being of the Madras Government shall be necessary to ensure the greater power of resistance required at this point.

The whole breadth of the Platform both on the main Pier and the Pier head is to be covered with open planking instead of part only being covered with planking as shewn on the Drawings and along the Platform on the main Pier shall be laid four lines of Railway instead of two as shewn on the Drawings with the necessary Turntables gangway and protecting railings and the space which shall not be required for the Railway shall be fitted up for the use of foot Passengers.

Warfage Fender Piles &c.

The Pier head is to be surrounded by wooden fender Piles placed at short intervals, with two horizontal waling pieces, and the whole to be secured to the Iron Screw Piles by strong wrought iron bands.

These fender Piles and walings are also to be carried along each side of the main Pier for a distance of Two hundred feet inside the head, thus giving a total wharfage frontage of seven hundred and sixty feet.

Cranes.

The Pier head is to be furnished with six fixed Cranes one calculated to lift ten Tons, one to lift five Tons, and four to lift three Tons each.

Eight moveable Thirty hundred weight Cranes are also to be provided which will traverse along the Railways from point to point.

Moorings round pier head.

Thirteen Screw Moorings, with the necessary Chains and Buoys are to be placed round the Pier head and for a distance on each side of the main Pier, in the positions shewn upon the Drawings.

SIGNED, SEALED and DELIVERED by the above named FREDERICK JOHNSON in the presence of — FREDERICK JOHNSON.

H. S. LAWFORD,
Drapers H. M.

SIGNED, SEALED and DELIVERED by ELLIOT MACNAGHTEN, CHARLES MILLS and WILLIAM ARBUTHNOT being three Members of the Council of India in the presence of — E. MACNAGHTEN, C. MILLS. W. ARBUTHNOT.

C. H. C. PLOWDEN.

This Indenture made the Twenty-third day of October One thousand eight hundred and sixty-one BETWEEN THE SECRETARY OF STATE IN COUNCIL of the one part and THE MADRAS RAILWAY COMPANY incorporated by an Act of Parliament made and passed in the Session of the Sixteenth year of the Reign of Her present Majesty intituled "An Act for incorporating the Madras Railway Company and for other purposes connected therewith of the other part, WHEREAS the said Madras Railway Company were incorporated by the said Act of Parliament for the purpose of making and constructing working and maintaining such Railway or Railways in the East Indies as might be agreed upon by the said Railway Company and the East India Company and by the said Act the said Railway Company were empowered from time to time to enter into and conclude with the East India Company on account of the Government of India such Contracts Agreements and Arrangements as the respective parties might think fit and agree upon for making any Railway or Railways in India including all or any of the provisions therein particularly mentioned, AND WHEREAS by an Indenture bearing date the Twenty-second day of December One thousand eight hundred and fifty-two and made between the East India Company of the one part and the said Madras Railway Company of the other part, It was amongst other things agreed that the said Railway Company should construct and open an Experimental Line of Railway to commence at or near Madras and to take a direction towards the Western Coast of India at an estimated cost of Five hundred thousand Pounds Sterling or thereabouts and by an Indenture bearing date the Nineteenth day of December One thousand eight hundred and fifty-five and made between the East India Company of the one part and the said Madras Railway Company of the other part, It was amongst other things agreed that the said Railway Company should construct and open a Line of Railway to commence at some point in the said Experimental Line and to proceed to the Western Coast of India with a branch to Bangalore and the foot of the Hills towards Ootacamund at an estimated cost of Four million Pounds Sterling or thereabouts and by the Covenants and Provisions of the said Indentures respectively. It was amongst other things agreed that the land required for the said Experimental Line and Extension Line respectively should be provided by the East India Company, And that the moneys required to make up the said sums of Five hundred thousand Pounds Sterling and Four million Pounds Sterling respectively and such further sums if any as might be required for the purpose of the said Experimental Line and Extension Line respectively should be paid by the said Railway Company into the Treasury of the East India Company by Instalments to be from time to time drawn out for the purposes of the works and that the land provided for the said Experimental Line and Extension Line respectively should be leased by the East India Company to the said Railway Company for terms of Ninety-nine years to be computed from the date of the said Indentures respectively determinable by surrender or purchase as in the said Indentures is mentioned. And that the East India Company should pay to the said Railway Company on the Thirtieth day of June and the Thirty-first day of December in every year during the said determinable terms of Ninety-nine years interests at the rate of four and a half per cent. per annum on the moneys paid or to be paid into the Treasury of the East India Company for the purposes of the said Experimental Line as aforesaid and interest at the rate of five per cent. per annum on moneys to be so paid in respect of the sum of Five hundred thousand Pounds first raised for the said Extension Line and which Capital was denominated First Extension Capital and at the rate of four and three-quarters per cent. per annum on moneys to be so paid in respect of the further sum of One million Pounds raised for the said Extension Line and which Capital was denominated Second Extension Capital and at such rate as might be agreed upon on any additional Capital to be raised for the said Extension Line and in the said Indenture of the Nineteenth day of December One thousand eight hundred and fifty-five was contained a provision with respect to the application of the net receipts of the whole Line of Railway including the Experimental and Extension Lines, AND WHEREAS a further sum of One million Pounds Sterling additional share Capital was created by the said Railway Company in the month of May One thousand eight hundred and fifty-six for the purposes of the said Extension Line under an arrangement with the said East India Company for a Guarantee of five per cent. thereon which said Capital was denominated Third Extension Capital, AND WHEREAS by an Indenture bearing date the Thirteenth day of August One thousand eight hundred and fifty-eight and made between the East India Company of the one part and the said Madras Railway Company of the other part a Contract was entered into for the construction by the said Railway Company of a Line of Railway to commence at or near Madras and to proceed in a North-westerly direction to or near Bellary as a separate and distinct Line of Railway with the same or the like Covenants and Provisions as were contained in the said Indenture of the Nineteenth day of December One thousand eight hundred and fifty-five and it was thereby provided that the accounts of such Line to Bellary both as to Capital and Revenue were to be kept separate and distinct from the accounts of the said other Lines of Railway and One million Pounds Sterling further share Capital was created for the purposes of such Line under the denomination of Fourth Extension Capital under a Guarantee from the East India Company of five per cent. interest to the shareholders thereof, AND WHEREAS under the provisions of the Act of the Twenty-first and Twenty-second years of Her Majesty Chapter 106 intituled " An Act for the better Government of India" the benefit of the hereinbefore recited Contracts became vested in Her Majesty for the purposes of the Government of India and save as otherwise provided by the said Act one of Her Majesty's Principal Secretaries of State has and may perform all such and the like powers and duties relating to the Government or Revenues of India as might or should have been exercised or performed by the East India Company and the Secretary of State in Council with the concurrence of a majority of votes at a Meeting of the Council of India has full power to enter into any Contracts whatsoever as may be thought fit for the purposes of that Act and all moneys payable in respect of the said Indentures of Contract and all liabilities contracted on account of the Government of India are charged and chargeable on the Revenues of India, AND WHEREAS additional Capital being required for the purposes of the said Extension Line of Railway the said Railway Company with the sanction of the Secretary of State in Council raised the sum of Five hundred thousand Pounds Sterling on loan upon Debentures of the said Railway Company bearing interest at the rate of five per cent. per annum the principal moneys and interest being Guaranteed by the Secretary of State in Council, AND WHEREAS under the provisions of an Indenture bearing date the Thirteenth day of March One thousand eight hundred and sixty and made between the Secretary of State in Council of the one part and the said Madras Railway Company of the other part the said Railway Company are empowered to raise for the purposes of the said Extension Line a further sum of Five hundred thousand Pounds Sterling in addition to the said last mentioned sum of Five hundred thousand Pounds on loan upon Debentures bearing a like rate of interest and Guaranteed in like manner as the Debentures hereinbefore mentioned and the said Railway Company have raised the sum of Three hundred and forty-four thousand eight hundred and fifty Pounds in respect of the said further sum of Five hundred thousand Pounds making the sum raised up to the present time in respect of such convertible Debentures Eight hundred and forty-four thousand eight hundred and fifty Pounds, AND WHEREAS in the month of December One thousand eight hundred and sixty the said Railway Company were authorized by the Secretary of State in Council of India to raise for the purposes of the said Indenture of the Thirteenth day of August One thousand eight hundred and fifty-eight a further sum of One million Pounds Sterling in Debentures not convertible into shares bearing interest at the rate of five per cent. per annum the principal and interest whereof was to be Guaranteed by the Secretary of State in Council aforesaid of which sum the said Railway Company have hitherto found it impracticable to raise more than the sum of Fifty-five thousand six hundred and fifty Pounds, AND WHEREAS all the moneys which have from time to time been raised by the said Railway Company for the purposes of the said Indenture of the Nineteenth day of December One thousand eight hundred and fifty-five or for the purposes of the said Indenture of the Thirteenth day of August One thousand eight hundred and fifty-eight and paid into the Treasury of the East India Company or into the Bank of England to the credit of the Secretary of State in Council have been expended on the said Extension Line and the said Line to Bellary respectively and further sums being required both in England and India for the payment for materials for the said Lines of Railway respectively and for proceeding with the construction thereof respectively the Secretary of State in Council has agreed that advances shall be made to the said Railway Company from the Treasury of the Secretary of State in Council and from the Treasury of the Government at Madras in manner and upon the terms hereinafter mentioned, AND WHEREAS certain advances have already been made to the said Railway Company in pursuance of the said Agreement, AND WHEREAS the Covenants hereinafter contained on the part of the said Secretary of State in Council are entered into with the concurrence of a majority of votes at a Meeting of the Council of India, NOW THIS INDENTURE WITNESSETH that in pursuance of the said Agreement and in consideration of the premises The Secretary of State in Council DOTH hereby (so far as the Covenants and Agreements hereinafter contained are to be observed and performed by the Secretary of State in Council for the time being) COVENANT with the Madras Railway Company and their successors and The Madras Railway Company DO hereby for themselves and their successors (so far as the Covenants and Agreements hereinafter contained are to be observed and performed by them) COVENANT with the Secretary of State in Council in manner following (that is to say:—)

1. THAT notwithstanding any provision to the contrary contained in the said Indentures of the Nineteenth day of December One thousand eight hundred and fifty-five and the Thirteenth day of August One thousand eight hundred and fifty-eight respectively it shall be lawful for the said Railway Company in London or their authorized Agent in India with the sanction of the Secretary of State in Council from time to time to draw from the Treasury of the Secretary of State in Council or of the Government at Madras such sums of money in excess of the balance in favor of the said Railway Company for the time being in respect of the Capital raised for the purposes of the said Indentures respectively as in the opinion of the Secretary of State in Council shall be then immediately required for the purposes of the Lines of Railway respectively to which the said Indentures respectively relate and such sums of money shall be so drawn in such manner and subject to such provisions regulations and restrictions as the Secretary of State in Council shall from time to time prescribe and all sums of money which have heretofore been drawn at Madras by the said Railway Company with the sanction of the Secretary of State in Council in excess of the balance in their favor or which shall be drawn at Madras by the said Railway Company in pursuance of the power hereinbefore given to them shall be calculated at the exchange of one shilling and ten pence for each Company's Rupee.

2. THAT it shall be lawful for the Secretary of State in Council at any time and from time to time by notice in writing to the said Railway Company to require that all or any sums of money which shall have been drawn by the said Railway Company in excess of the balance in their favor in respect of the Capital raised for the purposes of the said Extension Line and the said Bellary Line respectively shall be treated and considered as Capital contributed by the Secretary of State in Council out of the Revenues of India to the Joint Stock of the Madras Railway Company for the purposes of the said Lines of Railway respectively and forthwith upon any such requisition being made such number of fully paid up shares of Twenty Pounds each in the Capital of the said Company created for the purposes of the said Extension Line and the said Bellary Line respectively as shall represent the sum appearing by such notice to be due to the Secretary of State in Council in respect of such Lines respectively shall in satisfaction of such sum be placed and registered in the name or names of such person or persons as Trustee or Trustees for Her Majesty on account of the Government of India as shall be named in such notice and the nominal amount of such shares so issued shall be deemed to have been paid by the said Railway Company into the Bank of England on the day on which the next succeeding half yearly dividends shall become payable in respect of the shares of the said Railway Company and the Secretary of State in Council shall thenceforth during the residue of the determinable term of Ninety-nine years from the dates of the said Indentures of the Nineteenth day of December One thousand eight hundred and fifty-five and the Thirteenth day of August One thousand eight hundred and fifty-eight respectively pay to the said Railway Company in London half yearly on the Thirtieth day of June and the Thirty-first day of December in every year interest at the rate of five per cent. per annum on the nominal amount of the said shares in the Capital created for the said Lines respectively from the time when the said nominal amount shall be so deemed to have been paid into the Bank of England as aforesaid and the nominal amount of such shares shall for all purposes be thenceforth deemed to be part of the Capital of the Company.

3. THAT interest at the rate of five per cent. per annum shall be charged upon any sums of money which shall have been drawn by the said Railway Company in excess of the balance in their favor in respect of the Capital raised for the purposes of the said Extension Line and the said Bellary Line respectively calculated from the time when the said sums shall have been respectively so drawn up to the time when such sums shall have been satisfied by shares in

manner aforesaid and the nominal amount of such shares shall have been deemed to have been paid by the said Railway Company into the Bank of England as aforesaid and the provision contained in the said Indentures of the Nineteenth day of December One thousand eight hundred and fifty-five and the Thirteenth day of August One thousand eight hundred and fifty-eight respectively concerning the application of the half yearly net receipts of the said Lines respectively shall extend and apply to the payment thereout to the Secretary of State in Council of the current interest respectively so charged as aforesaid and the provision contained in the said Indentures respectively concerning the application of one half of the surplus of such net receipts respectively to the repayment of any sums previously paid for interest with simple interest thereon shall extend and apply so as to make such one half of the surplus net receipts also applicable to the payment thereout to the Secretary of State in Council of the interest which shall have been charged as aforesaid in respect of any previous years together with simple interest thereon at the rate of five per cent. per annum.

4. THAT any notice certificate of opinion or sanction to be given or signified on the part of the Secretary of State in Council for the purposes of these presents shall be sufficient and binding if signed by the Secretary of State for India or one of his Under Secretaries of State or any three Members of the Council of India or by the Secretary of the Government at Madras and the Secretary of State in Council shall not in any case be bound in respect of notice, opinion or sanction unless by some writing signed in the manner before mentioned.

5. THAT the Secretary of State in Council shall not have or enforce any claim or demand against the said Railway Company in respect of any monies which have been or shall be drawn by the said Railway Company in excess of the balance in their favor as aforesaid other than and except the right to require shares in satisfaction thereof in manner hereinbefore mentioned and the fact of any moneys having been so drawn shall not prejudice or affect the rights of the said Railway Company declared by the said Indentures of the nineteenth day of December One thousand eight hundred and fifty-five and the Thirteenth day of August One thousand eight hundred and fifty-eight respectively.

6. THAT nothing herein contained and no act or proceeding to be done or had in pursuance of these presents shall be construed to operate or shall operate as a waiver of any rights or remedies vested in the Secretary of State in Council under or by virtue of the said Indentures of the Nineteenth day of December One thousand eight hundred and fifty-five and the Thirteenth day of August One thousand eight hundred and fifty-eight respectively but such rights and remedies shall remain in full force and be exerciseable by the Secretary of State in Council in the same and as ample a manner as if these presents had not been made, IN WITNESS whereof William Erskine Baker, Esquire, and Elliot Macnaghten, Esquire, being two Members of the Council of India have hereunto set their hands and Seals and the Madras Railway Company have caused their Common Seal to be affixed the day and year first above written.

Signed, Sealed and Delivered by the above named William Erskine Baker, and Elliot Macnaghten, being two Members of the Council of India, in the presence of

W. E. BAKER,

ELLIOT MACNAGHTEN.

CHAS. BAYLEY FRANKS.

Exd. T. O'Connor.

This Indenture made the Twentieth day of November One thousand eight hundred and sixty-one BETWEEN THE SECRETARY OF STATE IN COUNCIL of the one part and THE GREAT SOUTHERN of INDIA RAILWAY COMPANY (incorporated by "the Great Southern of India Railway Act 1858" which Act has been amended by "the Great Southern of India Railway Amendment Act 1860") of the other part. WHEREAS by an Indenture dated the first day of September One thousand eight hundred and fifty-eight and made between the East India Company of the one part and the said Great Southern of India Railway Company of the other part being a Contract between the said East India Company and the said Railway Company in relation to the constructing maintaining and working Railways and the performance of other matters and things incidental or conducive thereto and which Contract the said Railway Company by their said Act of 1858 were empowered to enter into it was amongst other things provided that the sum of One million Pounds Sterling should be the amount to be raised for the purpose of the line of Railway to which the said Indenture relates, AND WHEREAS by an Indenture bearing date the Fourteenth day of February One thousand eight hundred and sixty and made between the Secretary of State in Council (to whom by virtue of the Act for the better Government of India 21 and 22 Victoria Chapter 106 the rights and liabilities of the East India Company under the said Contract had been transferred) of the one part and the said Railway Company of the other part, It was expressly declared and agreed that the sum of Five hundred thousand Pounds Sterling should be substituted for the sum of One million Pounds Sterling wheresoever the said last mentioned sum occurs in the said hereinbefore recited Indenture of the First day of September One thousand eight hundred and fifty-eight and that the several Covenants Clauses and Provisions of the same Indenture should be construed and take effect as if the said sum of Five hundred thousand Pounds had been originally inserted in the same Indenture in lieu of the said sum of One million Pounds, AND WHEREAS under the provisions of the Great Southern of India Railway Amendment Act 1860, the said Railway Company have power from time to time to borrow on Mortgage on the security of their undertaking and the Revenues therefrom and of the guarantee given by the said Indenture of the First day of September One thousand eight hundred and fifty-eight and of any additional or further guarantee which the Secretary of State in Council might agree to give for the purposes thereof any sums not exceeding in the whole One hundred and sixty-six thousand Pounds, And by such Act it is provided that every Mortgage shall be countersigned by some Officer appointed for the purpose by the Secretary of State in Council and under the provisions of the same Act the said Railway Company have power if and when required by the Secretary of State in Council to raise the whole or any part of the further sum of Five hundred thousand Pounds in addition to the said firstly hereinbefore mentioned sum of Five hundred thousand Pounds and to issue additional shares in their Capital to the amount of such further sum of Five hundred thousand Pounds or such part thereof as they shall be so required to raise, AND WHEREAS in or about the month of August One thousand eight hundred and sixty it was agreed between the Secretary of State in Council and the said Railway Company that the said Railway Company should raise money on loan to the extent of Ninety thousand

Pounds and should execute and issue Mortgages in accordance with a form similar to the form of Mortgage hereinafter mentioned and countersigned on behalf of the Secretary of State in Council to the persons who should be respectively willing to advance monies in respect of such sum, AND WHEREAS by an Indenture bearing date the Twenty-second day of August One thousand eight hundred and sixty and made between the Secretary of State in Council of the one part and the said Railway Company of the other part certain provisions were made with respect to the issue of the said Mortgages and the payment by the Secretary of State in Council of the principal monies and interest secured by any such Mortgages issued by the said Railway Company and other matters such provisions being similar to the provisions hereinafter contained with the exception of the Clause hereinafter contained numbered 4, AND WHEREAS the said Railway Company have raised the whole of the said sum of Ninety thousand Pounds and issued Mortgages to the persons who have made advances in respect of such sum in accordance with the provisions of the said last mentioned Indenture, AND WHEREAS it has been lately agreed between the Secretary of State in Council and the said Railway Company that the said Railway Company should raise further monies on Loan to the extent of Fifty thousand Pounds and should execute and issue Mortgages countersigned on behalf of the Secretary of State in Council to the persons who should be respectively willing to advance monies in respect of such sum and that the Secretary of State in Council should guarantee the payment of the principal monies secured by any Mortgages issued by the said Railway Company in respect of such additional sum of Fifty thousand Pounds and of the interest thereof in manner hereinafter mentioned, AND WHEREAS the Mortgages to be issued by the said Railway Company in respect of the said additional sum of Fifty thousand Pounds are to be in accordance with a form which has been approved by the Secretary of State in Council and by such form of Mortgage the said Railway Company in consideration of the sum therein mentioned to be paid to them by the person therein named and described assign unto the said person his Executors Administrators and Assigns the undertaking of the Great Southern of India Railway and the Revenues therefrom and the benefit of the guarantee given and made by the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by an Indenture bearing date the Fourteenth day of February One thousand eight hundred and sixty and made between the Secretary of State in Council of the one part and the said Railway Company of the other part and the benefit of every or any further guarantee which shall or may be given by the Secretary of State in Council for the purposes of the said undertaking and all the estate right title and interest of the Company in the same, To hold unto the said person his Executors Administrators and Assigns until the said sum therein mentioned together with interest for the same at the rate of Five Pounds per cent. per annum be satisfied and by such form the said Railway Company Covenant for themselves and their successors to pay to the said person his Executors Administrators and Assigns the sum of Forty-five thousand Pounds part of the said principal sum therein mentioned on the First day of July One thousand eight hundred and sixty-five and the remainder of the said principal sum on the First day of July One thousand eight hundred and sixty-six and also to pay to the said person his Executors Administrators and Assigns the interest thereon at the rate aforesaid half yearly on the First day of July and the First day of January in each year on presentation at the Union Bank of London of the Coupons annexed to the Mortgage and in such form is contained a Declaration that the holder for the time being of the Mortgage is to have the option at the expiration of twelve months from the date thereof and thence forward at any time before the same becomes payable to exchange the Mortgage

for shares in the Company to the same amount upon which interest at the rate of Five Pounds per cent. per annum is guaranteed by the Secretary of State in Council on leaving with the Secretary of the Company at the Offices of the Company in London one Calendar month's Notice in writing of his desire so to do and at the same time delivering up the Mortgage with such of the Coupons as have not then fallen due and that having so done he will at the expiration of such period be entitled to all the privileges and advantages of a Registered Proprietor in the Company, AND WHEREAS the said Railway Company have already issued shares in their Capital to the full amount of the said first mentioned sum of Five hundred thousand Pounds and in order to enable effect to be given to the option so given and to be given to the holders for the time being of the said Mortgages issued and to be issued as well in respect of the said sum of Ninety thousand Pounds as of the said sum of Fifty thousand Pounds of exchanging such Mortgages for shares in the said Railway Company in case such option shall be exercised by such holders for the time being of the said Mortgages or any of them it is necessary that the said Railway Company should be authorized and required by the Secretary of State in Council in manner hereinafter appearing to issue additional shares in their Capital to a further amount not exceeding the further amount of One hundred and forty thousand Pounds (being the aggregate amount of the said several sums of Ninety thousand Pounds and Fifty thousand Pounds,) AND WHEREAS the Covenants hereinafter contained on the part of the Secretary of State in Council are entered into with the concurrence of a majority of votes at a Meeting of the Council of India NOW THIS INDENTURE WITNESSETH that in pursuance of the said agreement and in consideration of the premises the said Great Southern of India Railway Company DO hereby for themselves and their successors (so far as the Covenants and Agreements hereinafter contained are to be observed and performed by them) Covenant with the Secretary of State in Council and the Secretary of State in Council DOTH hereby (so far as the Covenants and Agreements hereinafter contained are to be observed and performed on the part of the Secretary of State in Council for the time being) Covenant with the said Great Southern of India Railway Company and their successors in manner following (that is to say,)

1. THAT the said Railway Company shall and will from time to time until the whole of the said sum of Fifty thousand Pounds shall have been advanced receive sums of money on Loan from any persons respectively willing to advance the same at interest at the rate of Five Pounds per cent. per annum and shall and will execute and issue Mortgages in accordance with the said form to such persons respectively for securing the re-payment of the sum of Forty-five thousand Pounds part of the principal sums advanced by them respectively on the First day of July One thousand eight hundred and sixty-five and for securing the re-payment of the remainder of the said principal sums on the First day of July One thousand eight hundred and sixty-six and the payment of the interest on the First day of July and the First day of January in every year.

2. THAT all sums of money which shall be at any time received by the said Railway Company in respect of the said sum of Fifty thousand Pounds shall be forthwith paid into the Bank of England to the credit of the account of the Secretary of State in Council and in respect of any sum or sums so received by the said Railway Company on Loan and paid into the Bank to the credit of the said account money may be drawn and applied by the said Railway Company in like manner as under or by virtue of the provisions in that behalf contained in the said Indenture of Contract dated the First day of September One thousand eight hundred and fifty-eight

as the same are now subsisting and capable of taking effect shall be and remain in full force and virtue, IN WITNESS whereof Elliot Macnaghten, Esquire, and Sir Henry Conyngham Montgomery, Baronet, being two Members of the Council of India have hereunto set their hands and seals and the said Great Southern of India Railway Company have caused their common seal to be affixed (the interlineations at pages 3, 4 and 5 having been previously made) the day and year first above written.

Signed, Sealed and Delivered by the above named Elliot Macnaghten and Sir Henry Montgomery being two Members of the Council of India in the presence of

E. MACNAGHTEN,

H. C. MONTGOMERY.

E. P. A. THOMPSON.

HENRY W. NOTMAN,
Secretary.

This Indenture made the Twenty-first day of April One thousand eight hundred and sixty-four BETWEEN THE SECRETARY OF STATE IN COUNCIL of the one part and the GREAT SOUTHERN OF INDIA RAILWAY COMPANY incorporated by "the Great Southern of India Railway Act 1858" which Act has been amended by "the Great Southern of India Railway Amendment Act 1860" of the other part. WHEREAS by an Indenture dated the First day of September One thousand eight hundred and fifty-eight and made between the East India Company of the one part and the said Great Southern of India Railway Company of the other part (being a contract between the East India Company and the said Railway Company in relation to the constructing maintaining and working Railways and the performance of other matters and things incidental or conducive thereto and which contract the said Railway Company by their said Act of 1858 were empowered to enter into) It was amongst other things agreed that the said Railway Company should construct and open a Line of Railway from Negapatam to Trichinopoly and that the sum of One million Pounds Sterling should be the amount raised by the said Railway Company in the first instance by the issue of shares in the Capital of the said Railway Company for the purpose of the said Line of Railway. AND WHEREAS by an Indenture bearing date the Fourteenth day of February One thousand eight hundred and sixty and made between the Secretary of State in Council (to whom by virtue of the Act for the better Government of India 21 and 22 Vict. Cap. 106 the rights and liabilities of the East India Company under the said contract had been transferred) of the one part and the said Railway Company of the other part It was expressly declared and agreed that the sum of Five hundred thousand Pounds Sterling should be substituted for the sum of One million Pounds Sterling wherever the said last mentioned sum occurs in the said hereinbefore recited Indenture of the First day of September One thousand eight hundred and fifty-eight and that the several Covenants Clauses and provisions of the same Indenture should be construed and take effect as if the said sum of Five hundred thousand Pounds had been originally inserted in the same Indenture in lieu of the said sum of One million Pounds. AND WHEREAS under the provisions of the Great Southern of India Railway Amendment Act 1860 power was given to the said Railway Company with the sanction of the Secretary of State in Council from time to time to borrow on mortgage on the security of their undertaking and the Revenues therefrom and of the guarantee given by the said Indenture of the First day of September One thousand eight hundred and fifty-eight and of any additional or further guarantee which the Secretary of State in Council might agree to give for the purposes thereof any sums not exceeding in the whole One hundred and sixty-six thousand Pounds and by such Act it is provided that every mortgage shall be counter-signed by some officer appointed for the purpose by the Secretary of State in Council And by the same Act it is provided that if and when the said Railway Company should be required by the Secretary of State in Council to raise the whole or any part of the further sum of Five hundred thousand Pounds in addition to the beforementioned sum of Five hundred thousand Pounds the said Railway Company may with the sanction of the Secretary of State in Council raise all or any part of the moneys so required by borrowing on mortgage on the security of their undertaking and of any guarantee which may be or may have been agreed to be given by the Secretary of State in Council instead of raising the same by shares Provided that every such mortgage shall be counter-signed as aforesaid. AND WHEREAS the said Line of Railway from Negapatam to Trichinopoly was commenced by the said Railway Company under the direction of the Secretary of State in Council. AND WHEREAS the said Railway Company with the sanction and by the direction of the Secretary of State in Council have from time to time raised on loan the several sums of Ninety thousand Pounds Fifty thousand Pounds and Twenty-six thousand Pounds making together the said sum of One hundred and sixty-six thousand Pounds which as varied by the said Indenture dated the Fourteenth day of February One thousand eight hundred and sixty it could be drawn and applied if such sum or sums had been Capital paid by the said Railway Company into the Bank of England to the credit of the said account under the said Indenture.

3. THAT the Secretary of State in Council shall and will from time to time as often as and when the half yearly interest payable in respect of such of the Mortgages issued by the said Railway Company in respect of the said sum of Fifty thousand Pounds as shall not previously to the time of payment of interest have been exchanged for shares shall become due and so as duly to provide for the payment of such interest pay out of the Revenues of India the amount of such interest into the Union Bank of London or other the Bankers for the time being of the said Railway Company to an account to be called "the Great Southern of India Railway Mortgage Account" and shall and will on the First day of July One thousand eight hundred and sixty-five and the First day of July One thousand eight hundred and sixty-six respectively duly pay out of the Revenues of India to the same account the amount of the principal sums payable on such respective days on such of the said Mortgages as shall not previously to such days have been exchanged for shares and that notwithstanding any thing contained in any Mortgages executed and issued as aforesaid the said Railway Company shall not be subject or liable to any action or Suit at Law or in Equity upon or by virtue of such Mortgages but that the Secretary of State in Council shall and will at all times hereafter (the costs and charges being defrayed out of the Revenues of India) well and sufficiently protect save harmless and keep indemnified the said Railway Company and their lands tenements goods chattels and effects whatsoever of from and against all actions suits losses costs charges damages and expenses whatsoever which they shall or may suffer sustain expend or be put unto or which shall or may be commenced instituted sued or prosecuted against them by reason or in consequence of the said Mortgages or any of them.

4. THAT in order to give effect to the option so as aforesaid given and to be given to the holders for the time being of the said Mortgages issued and to be issued as well in respect of the said sum of Ninety thousand Pounds as of the said sum of Fifty thousand Pounds of exchanging such Mortgages for shares in the said Railway Company in case such option shall be exercised by such holders for the time being of the said Mortgages or any of them it shall be lawful for the said Railway Company and they are hereby authorized and required by the Secretary of State in Council to issue from time to time as occasion shall require additional shares in their Capital to a further amount beyond the said first mentioned sum of Five hundred thousand Pounds not exceeding the further amount of One hundred and forty thousand Pounds (being the aggregate amount of the said several sums of Ninety thousand Pounds and Fifty thousand Pounds) and to allot such shares to be so issued from time to time to the holders for the time being of the said Mortgages or any of them who shall exercise such option of exchanging their respective Mortgages for shares in exchange for the Mortgages in respect of which such option shall be so exercised as aforesaid the limitation of the amount of the Capital of the said Company imposed or made by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty and every or any other provision in the same Indenture or in the said Indenture of the First day of September One thousand eight hundred and fifty-eight or in the said Indenture of the Twenty-second day of August One thousand eight hundred and sixty to the contrary in anywise notwithstanding.

5. THAT upon the holder of any of the Mortgages issued and to be issued as well in respect of the said sum of Fifty thousand Pounds as of the said sum of Ninety thousand Pounds availing himself of the option given to him under the terms of his Mortgage and exchanging the said Mortgage for shares in the Company to the same amount the Secretary of State in Council shall during the then residue of the determinable term of Ninety-nine years from the First day of May One thousand eight hundred and fifty-eight pay out of the Revenues of India to the said Railway Company half yearly on the Thirtieth day of June and the Thirty-first day of December in every year interest at the rate of Five Pounds per cent. per annum on the Capital sum represented by the Mortgages which shall have been so exchanged such interest being considered in the first instance as running from the last day on which interest shall have become payable on the same Mortgages previously to the exchange thereof for shares.

6. THAT the sums hereinbefore agreed to be paid by the Secretary of State in Council for interest as aforesaid shall be in full satisfaction of all interest which under the said Indenture of Contract of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty would or might become payable on the principal monies raised by Mortgages as well in respect of the said sum of Fifty thousand Pounds as of the said sum of Ninety thousand Pounds and paid into the Bank of England to the account of the Secretary of State in Council.

7. THAT the provision contained in the said Indenture of the First day of September One thousand eight hundred and fifty-eight with respect to the application of the half yearly net receipts of the said Railway Company in payment of the interest therein mentioned so as to exonerate the East India Company from the same and with respect to the application of one half of the surplus of such net receipts in the re-payment of any sums previously paid for interest with simple interest on such sums shall apply to the interest hereinbefore agreed to be paid as aforesaid and that in applying the same provision the simple interest on sums previously paid for interest shall in all cases be reckoned at the same rate as the interest in respect of which such sums were so paid.

8. THAT all monies which under the Covenant hereinbefore in that behalf contained shall be paid by the Secretary of State in Council in satisfaction of the principal monies secured by such of the Mortgages issued in respect of the said sum of Fifty thousand Pounds as shall not be exchanged for shares shall be treated and considered as Capital contributed by the Secretary of State in Council out of the Revenues of India to the Joint Stock of the said Railway Company and in order to give full effect to the rights of the Secretary of State in Council in respect of the Capital so contributed the Secretary of State in Council shall be at liberty at any time to name a person or persons into whose name or names as Trustee or Trustees for Her Majesty on account of the Government of India an equivalent number of shares or amount of Capital Stock may be placed and registered and thereupon such shares or Capital Stock shall be so entered and registered accordingly and such person or persons shall be and possess all the rights of shareholders in the said Railway Company.

9. THAT subject to the provisions in the said Indenture of the Twenty-second day of August One thousand eight hundred and sixty and herein respectively contained the Covenants and provisions of the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty so far

as the same are now subsisting and capable of taking effect shall be and remain in full force and virtue, IN WITNESS whereof Elliot Macnaghten, Esquire, and Sir Henry Conyngham Montgomery, Baronet, being two Members of the Council of India have hereunto set their hands and seals and the said Great Southern of India Railway Company have caused their common seal to be affixed (the interlineations at pages 3, 4 and 5 having been previously made) the day and year first above written.

Signed, Sealed and Delivered by the above named Elliot Macnaghten and Sir Henry Montgomery being two Members of the Council of India in the presence of

E. MACNAGHTEN,

H. C. MONTGOMERY.

E. P. A. THOMPSON.

HENRY W. NOTMAN,
Secretary.

This Indenture made the Twenty-first day of April One thousand eight hundred and sixty-four BETWEEN THE SECRETARY OF STATE IN COUNCIL of the one part and the GREAT SOUTHERN OF INDIA RAILWAY COMPANY incorporated by "the Great Southern of India Railway Act 1858" which Act has been amended by "the Great Southern of India Railway Amendment Act 1860" of the other part. WHEREAS by an Indenture dated the First day of September One thousand eight hundred and fifty-eight and made between the East India Company of the one part and the said Great Southern of India Railway Company of the other part (being a contract between the East India Company and the said Railway Company in relation to the constructing maintaining and working Railways and the performance of other matters and things incidental or conducive thereto and which contract the said Railway Company by their said Act of 1858 were empowered to enter into) It was amongst other things agreed that the said Railway Company should construct and open a Line of Railway from Negapatam to Trichinopoly and that the sum of One million Pounds Sterling should be the amount raised by the said Railway Company in the first instance by the issue of shares in the Capital of the said Railway Company for the purpose of the said Line of Railway. AND WHEREAS by an Indenture bearing date the Fourteenth day of February One thousand eight hundred and sixty and made between the Secretary of State in Council (to whom by virtue of the Act for the better Government of India 21 and 22 Vict. Cap. 106 the rights and liabilities of the East India Company under the said contract had been transferred) of the one part and the said Railway Company of the other part It was expressly declared and agreed that the sum of Five hundred thousand Pounds Sterling should be substituted for the sum of One million Pounds Sterling wheresoever the said last mentioned sum occurs in the said hereinbefore recited Indenture of the First day of September One thousand eight hundred and fifty-eight and that the several Covenants Clauses and provisions of the same Indenture should be construed and take effect as if the said sum of Five hundred thousand Pounds had been originally inserted in the same Indenture in lieu of the said sum of One million Pounds. AND WHEREAS under the provisions of the Great Southern of India Railway Amendment Act 1860 power was given to the said Railway Company with the sanction of the Secretary of State in Council from time to time to borrow on mortgage on the security of their undertaking and the Revenues therefrom and of the guarantee given by the said Indenture of the First day of September One thousand eight hundred and fifty-eight and of any additional or further guarantee which the Secretary of State in Council might agree to give for the purposes thereof any sums not exceeding in the whole One hundred and sixty-six thousand Pounds and by such Act it is provided that every mortgage shall be counter-signed by some officer appointed for the purpose by the Secretary of State in Council And by the same Act it is provided that if and when the said Railway Company should be required by the Secretary of State in Council to raise the whole or any part of the further sum of Five hundred thousand Pounds in addition to the beforementioned sum of Five hundred thousand Pounds the said Railway Company may with the sanction of the Secretary of State in Council raise all or any part of the monies so required by borrowing on mortgage on the security of their undertaking and of any guarantee which may be or may have been agreed to be given by the Secretary of State in Council instead of raising the same by shares Provided that every such mortgage shall be counter-signed as aforesaid. AND WHEREAS the said Line of Railway from Negapatam to Trichinopoly was commenced by the said Railway Company under the direction of the Secretary of State in Council. AND WHEREAS the said Railway Company with the sanction and by the direction of the Secretary of State in Council have from time to time raised on loan the several sums of Ninety thousand Pounds Fifty thousand Pounds and Twenty-six thousand Pounds making together the said sum of One hundred and sixty-six thousand Pounds which

the said Railway Company had power to borrow as aforesaid and the monies
advanced in respect of such sums respectively were secured to the persons
respectively advancing the same by mortgages executed and issued by the said
Railway Company and counter-signed on behalf of the Secretary of State in Council
and in every such mortgage was contained a declaration that the holder for the
time being of such mortgage should have the option of exchanging the same for
shares to the same amount upon which interest at the rate of Five Pounds per cent.
per annum was guaranteed by the Secretary of State in Council. AND WHEREAS
by three several Indentures bearing date respectively the Twenty-third day of
August One thousand eight hundred and sixty the Twentieth day of November One
thousand eight hundred and sixty-one and the Seventh day of February One
thousand eight hundred and sixty-three and respectively made between the
Secretary of State in Council of the one part and the said Railway Company of
the other part The Secretary of State in Council entered into Covenants for
payment of the principal monies and interest secured by the said mortgages and
for payment of interest on the Capital of the said Railway Company represented
by additional shares issued to the holders of mortgages issued in respect of the
said sums of Ninety thousand Pounds, Fifty thousand Pounds and Twenty-six
thousand Pounds respectively upon their availing themselves of the option given
to them by the said mortgages respectively as aforesaid. AND WHEREAS by an
Indenture of Contract bearing even date with but executed before these presents
and made between the Secretary of State in Council of the one part and the said
Railway Company of the other part It is amongst other things agreed that the
said Railway Company shall construct and open a Line of Railway from Trichino-
poly to or near Errode as an extension of the said Line of Railway from
Negapatam to Trichinopoly and that the sum of Three hundred and fifty thousand
Pounds Sterling shall be the amount raised by the said Railway Company in the
first instance by the issue of shares in the Capital of the said Railway Company
for the purpose of the said Line of Railway from Trichinopoly to Errode and
under the terms of the Indenture now in recital it is provided that the said Line
of Railway from Negapatam to Trichinopoly and the said Line of Railway from
Trichinopoly to Errode shall be made and maintained as one Line of Railway and
as one undertaking with one and the same Capital and Revenue Account. AND
WHEREAS in the negotiations with respect to the said Line of Railway from
Trichinopoly to Errode it was agreed between the Secretary of State in Council
and the said Railway Company that in addition to the said sum of Three hundred
and fifty thousand Pounds to be raised by the said Railway Company by the issue
of shares in the Capital of the Company the said Railway Company should raise
money on loan to the extent of One hundred and fifty thousand Pounds (making
together with the said sum of Three hundred and fifty thousand Pounds the sum of
Five hundred thousand Pounds) and should execute and issue mortgages not
convertible into shares counter-signed on behalf of the Secretary of State in Council
to the persons who should be respectively willing to advance monies in respect of
such sum of One hundred and fifty thousand Pounds And that the Secretary of
State in Council should guarantee the payment of the principal monies secured by
any mortgages issued by the said Railway Company in respect of such sum of One
hundred and fifty thousand Pounds and of the interest thereof in manner herein-
after mentioned. AND WHEREAS the said Railway Company in pursuance of the
said Agreement and under the powers in that behalf vested in them by their said
Act of 1860 issued proposals for a loan of the said sum of One hundred and fifty
thousand Pounds on the terms hereinafter mentioned and previously to the day
of the date of these presents the sum of Five thousand Pounds part of such sum of
One hundred and fifty thousand Pounds has been advanced by various persons in
various sums respectively and has been paid into the Bank of England to the credit
of the account of the Secretary of State in Council. AND WHEREAS the mortgages
issued and to be issued by the said Railway Company in respect of the said sum
of One hundred and fifty thousand Pounds are or are to be in accordance with a
form which has been approved by the Secretary of State in Council and by such
form of mortgage the said Railway Company in consideration of the sum therein
mentioned to be paid to them by the person therein named and described assign

unto the said person his executors administrators and assigns the undertaking of the
Great Southern of India Railway and the Revenues therefrom and the benefit of
the guarantee given and made by the said Indenture of the First day of September
One thousand eight hundred and fifty-eight as varied by the said Indenture of the
Fourteenth day of February One thousand eight hundred and sixty and the
benefit of every or any further guarantee which should or might have been or
shall or may be given by the Secretary of State in Council for the purposes of the
said undertaking And all the estate right title and interest of the Company in
the same To hold unto the said person his executors administrators and assigns
until the said sum therein mentioned together with interest for the same at the
rate of Four Pounds ten Shillings per cent. per annum should be satisfied And by
such form the said Railway Company Covenant for themselves and their successors
to pay to the said person his executors administrators and assigns the said principal
sum therein mentioned on the day therein mentioned and also to pay to the said
person his executors administrators and assigns the interest thereon at the rate
aforesaid half-yearly on the First day of January and the First day of July in each
year on presentation at the Union Bank of London of the coupons annexed to the
mortgage. AND WHEREAS the Covenants hereinafter contained on the part of
the Secretary of State in Council are entered into with the concurrence of a
majority of votes at a Meeting of the Council of India. NOW THIS INDENTURE
WITNESSETH that in pursuance of the said Agreement and in consideration of
the premises the said Great Southern of India Railway Company DO hereby
for themselves and their successors (so far as the Covenants and Agreements here-
inafter contained are to be observed and performed by them) COVENANT with the
Secretary of State in Council AND the Secretary of State in Council DOTH hereby
(so far as the Covenants and Agreements hereinafter contained are to be observed
and performed on the part of the Secretary of State in Council for the time being)
COVENANT with the said Great Southern of India Railway Company and their
successors in manner following that is to say:

1. THAT the said Railway Company shall and will from time to time
until the whole of the said sum of One hundred and fifty thousand Pounds shall
have been advanced receive sums of money on loan from any persons respectively
willing to advance the same at interest at the rate of Four Pounds ten Shillings
per cent. per annum And shall and will create and issue mortgages in accord-
ance with the said form to such persons respectively for securing the re-payment
of the principal sums advanced by them respectively on the days following that
is to say As to the sum of Twenty-five thousand Pounds on the First day of
January One thousand eight hundred and seventy-one As to the sum of Seventy-
five thousand Pounds on the First day of July One thousand eight hundred and
seventy-one And as to the remaining sum of Fifty thousand Pounds at the
expiration of seven years from the date of the advance thereof to the Company
and the payment of interest on the First day of January and the First day of July
in every year.

2. THAT all sums of money which shall be at any time received by the said
Railway Company in respect of the said sum of One hundred and fifty thousand
Pounds shall be forthwith paid into the Bank of England to the credit of the
account of the Secretary of State in Council and in respect of any sum or sums so
received by the said Railway Company on loan and paid into the Bank to the
credit of the said account and in respect of the said sum of Five thousand Pounds
already so received and paid into the Bank of England as aforesaid money may
be drawn and applied by the said Railway Company in like manner as under or
by virtue of the said Indenture of contract of even date herewith it could be drawn
and applied if such sum or sums had been Capital paid by the said Railway
Company into the Bank of England to the credit of the said account under the said
Indenture.

3. THAT the Secretary of State in Council shall and will as often as and
when the half-yearly interest payable in respect of the mortgages issued and to
be issued by the said Railway Company in respect of the said sum of One hundred
and fifty thousand Pounds shall become due and so as duly to provide for the

payment of such interest pay out of the Revenues of India the amount of such interest into the Union Bank of London or other the Bankers for the time being of the said Railway Company to an account to be called "The Great Southern of India Railway Mortgage Account" And shall and will duly pay out of the Revenues of India to the same account the amount of the principal sums payable on the said mortgages on the days following that is to say As to the sum of Twenty-five thousand Pounds on the First day of January One thousand eight hundred and seventy-one As to the sum of Seventy-five thousand Pounds on the First day of July One thousand eight hundred and seventy-one and as to the remaining sum of Fifty thousand Pounds on the expiration of seven years from the date of the advance thereof to the Company And that notwithstanding any thing contained in any mortgages executed and issued as aforesaid the said Railway Company shall not be subject or liable to any action or Suit at Law or in Equity upon or by virtue of such mortgages but that the Secretary of State in Council shall and will at all times hereafter (the costs and charges being defrayed out of the Revenues of India) well and sufficiently protect save harmless and keep indemnified the said Railway Company and their lands tenements goods chattels and effects whatsoever of from and against all actions suits losses costs charges damages and expenses whatsoever which they shall or may suffer sustain expend or be put unto or which shall or may be commenced instituted sued or prosecuted against them by reason or in consequence of the said mortgages or any of them.

4. THAT the sums hereinbefore agreed to be paid by the Secretary of State in Council for interest as aforesaid shall be in full satisfaction of all interest which under the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty or under the said Indenture of even date herewith would or might become payable on the principal monies raised by mortgages in respect of the said sum of One hundred and fifty thousand Pounds and paid into the Bank of England to the account of the Secretary of State in Council.

5. THAT the provision contained in the said Indenture of even date herewith with respect to the application of the half-yearly net receipts of the said Railway Company in payment of the interest therein mentioned so as to exonerate the Secretary of State in Council from the same and with respect to the application of one-half of the surplus of such net receipts in the re-payment of any sums previously paid for interest with simple interest on such sums shall apply to the interest hereinbefore agreed to be paid as aforesaid.

6. THAT all monies which under the Covenant hereinbefore in that behalf contained shall be paid by the Secretary of State in Council in satisfaction of the principal monies secured by the mortgages issued and to be issued in respect of the said sum of One hundred and fifty thousand Pounds shall be treated and considered as Capital contributed by the Secretary of State in Council out of the Revenues of India to the Joint Stock of the said Railway Company and in order to give full effect to the rights of the Secretary of State in Council in respect of the Capital so contributed the Secretary of State in Council shall be at liberty at any time to name a person or persons into whose name or names as Trustee or Trustees for her Majesty on account of the Government of India an equivalent number of shares or amount of Capital Stock may be placed and registered and thereupon such shares or Capital Stock shall be entered and registered accordingly and such person or persons shall be and possess all the rights and be subject to all the liabilities of a shareholder or shareholders in the said Railway Company.

7. THAT subject to the provisions in the said Indenture of the Twenty-third day of August One thousand eight hundred and sixty in the said Indenture of the Twentieth day of November One thousand eight hundred and sixty-one and in the said Indenture of the Seventh day of February One thousand eight hundred and sixty-three and herein respectively contained the Covenants and provisions of the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty so far as the same are now subsisting and capable of taking effect and the Covenants and provisions of the said Indenture of even date

herewith shall be and remain in full force and virtue. IN WITNESS whereof Sir Henry Conyngham Montgomery Baronet and Sir Proby Thomas Cautley K. C. B. being two Members of the Council of India have hereunto set their hands and seals and the said Railway Company have caused their common seal to be affixed the day and year first above written.

SIGNED SEALED AND DELIVERED by the said Sir Henry Conyngham Montgomery and Sir Proby Thomas Cautley being two Members of the Council of India in the presence of

(Signed) H. C. MONTGOMERY.

(„) P. T. CAUTLEY.

(Signed) C. B. FRANKS.

(Signed) H. W. NOTMAN,
Secretary.

payment of such interest pay out of the Revenues of India the amount of such interest into the Union Bank of London or other the Bankers for the time being of the said Railway Company to an account to be called "The Great Southern of India Railway Mortgage Account" And shall and will duly pay out of the Revenues of India to the same account the amount of the principal sums payable on the said mortgages on the days following that is to say As to the sum of Twenty-five thousand Pounds on the First day of January One thousand eight hundred and seventy-one As to the sum of Seventy-five thousand Pounds on the First day of July One thousand eight hundred and seventy-one and as to the remaining sum of Fifty thousand Pounds on the expiration of seven years from the date of the advance thereof to the Company And that notwithstanding any thing contained in any mortgages executed and issued as aforesaid the said Railway Company shall not be subject or liable to any action or Suit at Law or in Equity upon or by virtue of such mortgages but that the Secretary of State in Council shall and will at all times hereafter (the costs and charges being defrayed out of the Revenues of India) well and sufficiently protect save harmless and keep indemnified the said Railway Company and their lands tenements goods chattels and effects whatsoever of from and against all actions suits losses costs charges damages and expenses whatsoever which they shall or may suffer sustain expend or be put unto or which shall or may be commenced instituted sued or prosecuted against them by reason or in consequence of the said mortgages or any of them.

4. THAT the sums hereinbefore agreed to be paid by the Secretary of State in Council for interest as aforesaid shall be in full satisfaction of all interest which under the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty or under the said Indenture of even date herewith would or might become payable on the principal monies raised by mortgages in respect of the said sum of One hundred and fifty thousand Pounds and paid into the Bank of England to the account of the Secretary of State in Council.

5. THAT the provision contained in the said Indenture of even date herewith with respect to the application of the half-yearly net receipts of the said Railway Company in payment of the interest therein mentioned so as to exonerate the Secretary of State in Council from the same and with respect to the application of one-half of the surplus of such net receipts in the re-payment of any sums previously paid for interest with simple interest on such sums shall apply to the interest hereinbefore agreed to be paid as aforesaid.

6. THAT all monies which under the Covenant hereinbefore in that behalf contained shall be paid by the Secretary of State in Council in satisfaction of the principal monies secured by the mortgages issued and to be issued in respect of the said sum of One hundred and fifty thousand Pounds shall be treated and considered as Capital contributed by the Secretary of State in Council out of the Revenues of India to the Joint Stock of the said Railway Company and in order to give full effect to the rights of the Secretary of State in Council in respect of the Capital so contributed the Secretary of State in Council shall be at liberty at any time to name a person or persons into whose name or names as Trustee or Trustees for her Majesty on account of the Government of India an equivalent number of shares or amount of Capital Stock may be placed and registered and thereupon such shares or Capital Stock shall be entered and registered accordingly and such person or persons shall be and possess all the rights and be subject to all the liabilities of a shareholder or shareholders in the said Railway Company.

7. THAT subject to the provisions in the said Indenture of the Twenty-third day of August One thousand eight hundred and sixty in the said Indenture of the Twentieth day of November One thousand eight hundred and sixty-one and in the said Indenture of the Seventh day of February One thousand eight hundred and sixty-three and herein respectively contained the Covenants and provisions of the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty so far as the same are now subsisting and capable of taking effect and the Covenants and provisions of the said Indenture of even date

herewith shall be and remain in full force and virtue. IN WITNESS whereof Sir Henry Conyngham Montgomery Baronet and Sir Proby Thomas Cautley K. C. B. being two Members of the Council of India have hereunto set their hands and seals and the said Railway Company have caused their common seal to be affixed the day and year first above written.

SIGNED SEALED AND DELIVERED by the said Sir Henry Conyngham Montgomery and Sir Proby Thomas Cautley being two Members of the Council of India in the presence of	(Signed) H. C. MONTGOMERY.
	(„) P. T. CAUTLEY.
(Signed) C. B. FRANKS.	(Signed) H. W. NOTMAN, *Secretary.*

This Indenture made the Twenty-first day of April One thousand eight hundred and sixty-four BETWEEN THE SECRETARY OF STATE IN COUNCIL of the one part and THE GREAT SOUTHERN OF INDIA RAILWAY COMPANY incorporated by "The Great Southern of India Railway Act 1858" which Act has been amended by "The Great Southern of India Railway Amendment Act 1860" of the other part. WHEREAS the Great Southern of India Railway Company were incorporated by the first mentioned Act of Parliament for the purpose of affording Railway communication to the Southern Provinces of India and such other places as they might from time to time determine by constructing maintaining and working Railways and the performance of all other matters and things incidental or conducive thereto And by the said Act the said Railway Company were empowered from time to time to enter into and conclude with the East India Company on account of the Government of India and to carry into effect such contracts agreements and arrangements as the respective parties might think fit and agree upon for or connected with or incident to or respecting all or any or either of the objects and purposes aforesaid including such provisions as are hereinafter contained. AND WHEREAS by an Indenture dated the First day of September One thousand eight hundred and fifty-eight and made between the East India Company of the one part and the said Railway Company of the other part It was amongst other things agreed that the said Railway Company should construct and open a Line of Railway to commence at Negapatam and to proceed to Trichinopoly the sum raised or to be raised by the said Railway Company in the first instance being One million Pounds Sterling and that the land required for the purpose of the said Railway should be provided by the East India Company and that upon the completion of the said Line of Railway or of any part or parts thereof as required by the East India Company to be first completed the land required for the completed Line and for the works and conveniences thereto belonging should be leased to the said Railway Company by the East India Company for the term of ninety-nine years from the First day of May One thousand eight hundred and fifty-eight determinable by surrender or purchase or re-entry as in the said Indenture mentioned and that the East India Company should pay to the said Railway Company in London half-yearly during the said determinable term interest at the rate of Five Pounds per centum per annum on the said sum of One million Pounds Sterling or on such part thereof as should for the time being have been paid as therein mentioned by the said Railway Company to the East India Company and that the monies required for the said Railway and works or otherwise as therein mentioned in excess of the said sum of One million Pounds Sterling should be raised and paid by the said Railway Company to the East India Company and that the East India Company should from time to time during the then residue of the said determinable term of ninety-nine years pay to the said Railway Company half-yearly interest on such excess as might be mutually agreed upon And in the same Indenture were contained Clauses and provisions with reference to the said Line of Railway to the same or the like effect as the several Clauses and provisions hereinafter contained. AND WHEREAS by an Indenture dated the Fourteenth day of February One thousand eight hundred and sixty and made between the Secretary of State in Council (to whom by virtue of the Act for the better Government of India 21 and 22 Vict. Cap. 106 the rights and liabilities of the East India Company under the said contract had been transferred) of the one part and the said Railway Company of the other part It was expressly declared and agreed that the sum of Five hundred thousand Pounds Sterling should be substituted for the sum of One million Pounds Sterling wheresoever the said last mentioned sum occurs in the said hereinbefore recited Indenture of the First day of September One thousand eight hundred and fifty-eight and that the several Covenants Clauses and provisions of the same Indenture should be construed and take effect as if the said sum of Five hundred thousand Pounds had been originally inserted in the same Indenture in lieu of the said sum of One million Pounds. AND WHEREAS the said Line of Railway from Negapatam to Trichinopoly was commenced by the said Railway Company under the direction of the Secretary of State in Council and is now completed or nearly completed. AND WHEREAS the said Railway Company with the sanction and by the direction of the Secretary of State in Council have from time to time raised the several sums of Ninety thousand Pounds Fifty thousand Pounds and Twenty-six thousand Pounds making together the sum of One hundred and sixty-six thousand Pounds on loan upon mortgages convertible into shares upon which interest at the rate of Five Pounds per centum per annum was guaranteed by the Secretary of State in Council. AND WHEREAS by three several Indentures bearing date respectively the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three and respectively made between the Secretary of State in Council of the one part and the said Railway Company of the other part the Secretary of State in Council entered into Covenants for payment of the principal monies and interest secured by the said mortgages and for payment of interest at the rate aforesaid on the Capital of the said Railway Company represented by additional shares issued in exchange for the said mortgages as aforesaid. AND WHEREAS the Secretary of State in Council has lately sanctioned the construction by the said Railway Company of a Line of Railway from the terminus of the said Line of Railway at Trichinopoly to or near Errode so as to form a junction with the South-West Line of the Madras Railway Company on the terms hereinafter mentioned and has agreed to guarantee interest at the rate of Four Pounds Fifteen Shillings per cent. per annum on the sum of Three hundred and fifty thousand Pounds to be raised by shares in the Capital of the said Railway Company for the purposes of such new Line. AND WHEREAS the said Railway Company have paid into the Bank of England to the credit of the Secretary of State in Council the sum of One hundred and thirty-three thousand Pounds in respect of the said sum of Three hundred and fifty thousand Pounds. AND WHEREAS the Covenants hereinafter contained on the part of the Secretary of State in Council are entered into with the concurrence of a majority of votes at a Meeting of the Council of India. AND WHEREAS it is intended that the said Railway from Negapatam to Trichinopoly and the said Railway from Trichinopoly to or near Errode shall be made and maintained as one Line of Railway and as one undertaking with one and the same Capital and Revenue Account And in order to carry such intention into effect it has been agreed that the Clauses numbered respectively 8, 12, 14, 17, 18, 21, 22, 23, 24, 25 and 26 hereinafter contained shall be in substitution for the corresponding Clauses contained in the said Indenture of the First day of September One thousand eight hundred and fifty-eight so as to supersede the last mentioned Clauses. AND WHEREAS the expression "the said Line of Railway" or "the said Line of Railway and works" where the same is hereinafter used is intended to mean the said line of Railway from Trichinopoly to or near Errode or such Line and the works connected therewith unless there may be something in the context to show that such expression is used in any different sense. NOW THIS INDENTURE WITNESSETH that in consideration of the premises the said Great Southern of India Railway Company DO hereby for themselves and their successors (so far as the Covenants and agreements hereinafter contained are to be observed and performed by them) Covenant with the Secretary of State in Council And the Secretary of State in Council DOTH hereby (so far as the Covenants and agreements hereinafter contained are to be observed and performed on the part of the Secretary of State in Council for the time being) Covenant with the said Great Southern of India Railway Company and their successors in manner following that is to say:

Selection of Line.

1. THAT it shall be lawful for the Secretary of State in Council to determine fix upon and select the route and direction of a Line of Railway to commence at the terminus at Trichinopoly of the Line of Railway to which the said Indenture of the First day of September One thousand eight hundred and fifty-eight relates and to proceed to or near to Errode with a view to form a junction with the South-West Line of Railway of the Madras Railway Company and such selected Line of Railway of an estimated cost to be approved of by the Secretary of State in Council shall be completed by the said Railway Company and opened for the conveyance of Passengers and Goods with all practicable speed.

Notice of Line.

2. THAT the Secretary of State in Council shall give notice to the said Railway Company of the Line when so selected as aforesaid or of any part or parts thereof as such part or parts shall from time to time be fixed upon and it shall be lawful for the Secretary of State in Council from time to time after such notice as aforesaid to alter the said route or direction or to extend or limit the same as the Secretary of State in Council shall think fit PROVIDED ALWAYS that if such alteration of route or direction shall be made after the Railway shall have been commenced in a previously selected route or direction the expense of the said Railway or in any way incident to such alteration shall be considered as properly incurred by the said Railway Company.

Land.

3. THAT the Secretary of State in Council shall after the selection of the route and direction of the said Line of Railway or of any part or parts thereof and from time to time as may be necessary provide the land which shall be required for the said Railway or for the part or parts thereof so selected and the works connected therewith and for proper Stations Offices Ware-houses and other conveniences for the same and shall give to the said Railway Company possession thereof and that all land of which possession shall be so given to the said Railway Company which shall not be permanently required for the purposes of the said Railway shall as soon as practicable be restored and delivered up by the said Railway Company to the Government of India for the use of Her Majesty her heirs and successors for the purposes of the Government of India.

Works.

4. THAT the said Railway Company shall on receiving possession of the same land or any part thereof forthwith and subject to the supervision and control hereinafter prescribed commence and proceed with diligence in the construction of the said Line of Railway and of all such Stations Offices Ware-houses fixed Machinery and other works and conveniences as in the opinion of the Secretary of State in Council (such opinion to be certified in writing) shall be necessary or expedient as well with reference to the original construction of the said Railway and the working thereof as with reference to the permanent maintenance thereof and its protection from injury or destruction by inundation tempests or other causes whatsoever and such Railway shall be made at such gradients and shall be furnished with rails of such weight and strength and laid down and secured in such manner and shall consist either of a single or double Line of Railway as the Secretary of State in Council shall in writing direct and shall if required by the Secretary of State in Council and at such time or times as the Secretary of State in Council shall in writing require be provided with an Electric Telegraph constructed along all or such part or parts of the said Railway and upon such principle and under such regulations as to its use and the terms of its use as the Secretary of State in Council shall from time to time in writing direct or approve of and the said Railway Company shall from time to time attend to execute and perform all such directions in writing as may from time to time be given by the Secretary of State in Council for any deviations from or alterations in any directions or requisitions previously made or given with respect to the premises And the said Railway Company shall as soon as the said Railway shall be completed for such a distance as in the opinion of the Secretary of State in Council shall be desirable open the same for the conveyance of Passengers and Goods.

Opening.

5. THAT it shall be lawful for the Secretary of State in Council from time to time by notice in writing to the said Railway Company to require any specified part or parts of the said Line of Railway to be completed as aforesaid and to be opened for the conveyance of Passengers and Goods before the remaining part or parts thereof shall be constructed and such requisitions shall be complied with and fulfilled by the said Railway.

Money Capital.

6. THAT the said Railway Company shall pay into the Bank of England to the account of the Secretary of State in Council the sum of Two hundred and seventeen thousand Pounds which with the sum of One hundred and thirty-three thousand Pounds already paid will make up in all the sum of Three hundred and fifty thousand Pounds Sterling by such instalments and at such times as the Secretary of State in Council may require and such payments may be made in sums of not less than Ten thousand Pounds each in London provided that if the said Railway Company shall

receive any portion of their Capital already subscribed or hereafter to be subscribed in India it shall be lawful for them to pay the amount so received in sums of not less than Ten thousand Rupees into the Treasury at Madras in or towards satisfaction of the said instalments and the acknowledgment of such respective payments there shall when produced to the Secretary of State in Council in London be considered and taken as payments on the respective days of payment thereof in part satisfaction of the said sum of Three hundred and fifty thousand Pounds at the exchange of One Shilling and Ten Pence for each Company's Rupee PROVIDED ALWAYS that such payments into the Treasury at Madras shall not exceed the amounts which may from time to time be required for expenditure in India such limit being determined upon by the Secretary of State in Council.

Drafts on Capital.

7. THAT as often as and when any money shall be required by the said Railway Company for any purposes sanctioned by the Secretary of State in Council and in reference to the particular sums from time to time required only so far as such purposes shall have been performed to the satisfaction of the Secretary of State in Council or when any money shall be required for the performance of works sanctioned by the Secretary of State in Council while the same shall be in course of execution such money may be drawn in such sums as shall from time to time be necessary by the said Railway Company in London or at Madras according to such arrangements as shall be made from time to time with the Secretary of State in Council for that purpose but ten days' notice of every such Draft or proposed Draft shall be given to the Secretary of State in Council or to the Government of Madras and all sums of money which shall be so drawn at Madras under the said Indenture of the First day of September One thousand eight hundred and fifty-eight or these Presents shall be set off at the exchange of One Shilling and Ten Pence for each Company's Rupee against the monies which for the time being shall have been paid into the Bank of England to the account of the Secretary of State in Council under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents And the said Railway Company shall not in any case be entitled to draw in London or at Madras to an extent greater than the balance in their favor for the time being.

Plant fares and Tolls.

8. THAT when and so soon as the said Railways or any part or parts thereof which shall have been required by the Secretary of State in Council to be completed before the construction of the other part shall be completed and ready to be opened for the use of the public and so from time to time as any such part thereof shall be completed and ready to be opened the said Railway Company shall and will subject to the supervision and control hereinafter mentioned provide to the satisfaction of the Secretary of State in Council a good and sufficient working stock of Engines Carriages and other Plant and Machinery for working the said Railways or such part or parts thereof as shall have been completed as aforesaid and carrying on the business and traffic of the same and the said Railway Company shall and will forthwith commence and carry on the business of common Carriers of Goods and Passengers upon the said Railways and for that purpose shall cause to be run on the same so many trains at such times and at such rates of speed and between such places and with such conveniences and accommodations as the Secretary of State in Council shall from time to time require and the said Railway Company shall and will allow the use of the said Railways to the public on such terms as shall be approved by the Secretary of State in Council and the said Railway Company shall be authorized and empowered to charge such fares for the carriage of Passengers and Goods and such rates for telegrams and such tolls as shall have been approved by the Secretary of State in Council and shall not in any case charge any higher or different fares rates or tolls whatsoever without such approval being first obtained but the fares rates or tolls to be taken under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents shall when such net receipts as are hereinafter mentioned shall in any year have exceeded ten per cent. upon the whole outlay be reduced in accordance with any requisition of the Secretary of State in Council in that behalf but only with a view of limiting the said fares rates and tolls so far that the net receipts shall not exceed ten per cent. as aforesaid and this present clause shall be in substitution for the corresponding clause of the

said Indenture of the First day of September One thousand eight hundred and fifty-eight PROVIDED NEVERTHELESS that the rates now charged under the same Indenture shall continue chargeable until the expiration of a reasonable time for communicating to India any change thereof made in pursuance of these Presents.

Title to Land.

9. THAT upon the completion of the said Line of Railway or of any part or parts thereof which shall have been required by the Secretary of State in Council to be completed before the construction of the remaining part the Secretary of State in Council shall and will grant to the said Railway Company a Lease of or otherwise secure to them a right and title to the land which shall have been provided under the provisions in these Presents contained or of so much thereof as shall be required for the completed Line and for the works and conveniences thereto belonging for a term of ninety-nine years commencing from the First day of September One thousand eight hundred and fifty-eight unless the same shall be sooner determined under the provisions herein contained and the Secretary of State in Council shall guarantee to the said Railway Company the quiet and undisturbed possession of such land but shall not be called upon to show any title thereto.

Supervision.
Government Director may be appointed, his powers and privileges.

10. THAT the said Railway Company and their Officers Servants and Agents as also their accounts and affairs shall in all things be subject to the superintendence and control of the Secretary of State in Council as well in England as elsewhere and in particular that no Bye-Laws Contracts orders directions proceedings works or undertakings Acts matters or things whatsoever shall be made done entered into commenced or prosecuted by or on the part of the said Railway Company unless previously sanctioned in writing by the Secretary of State in Council or in some other manner to be prescribed by the Secretary of State in Council and that no monies shall be raised by the said Railway Company by any other means than by calls upon or payments in respect of the shares in the same Company without the sanction of the Secretary of State in Council in writing and no extension in the number of shares in the said Railway Company or in the amount of its Capital shall be made unless sanctioned in like manner And that it shall be lawful for the Secretary of State in Council from time to time to give to the said Railway Company their Officers Servants and Agents all such orders and directions as the Secretary of State in Council shall from time to time think fit with reference to the said Line of Railway and works and with reference to the manner and times of executing the same and with reference to any Contracts orders and directions to be entered into made or given with regard thereto and otherwise with reference to the same all which Contracts orders and directions shall be executed and followed by the said Railway Company to the satisfaction of the Secretary of State in Council the costs and expenses of the same which shall have been allowed and sanctioned by the Secretary of State in Council being paid out of the Capital of the said Railway Company And that for better enabling the Secretary of State in Council to exercise the control and direction intended to be hereby secured the said Railway Company shall record and keep in proper books for that purpose full and particular accounts of all their transactions and proceedings including full and true Minutes of all their Meetings Meetings of Directors communications with India and correspondence so as at all times to exhibit thereby fully and truly the state of their affairs and proceedings and that the Secretary of State in Council and any person or persons appointed by him in that behalf shall at all reasonable times have free access to all the books accounts papers and documents of the said Railway Company (except communications between the said Railway Company and their legal Advisers) and power to make copies of or extracts from the same whether such books accounts and documents relate to the said Line of Railway and works or to any other matters or things whatsoever in which the said Railway Company shall or may be interested and for the purposes aforesaid it shall be lawful for the Secretary of State in Council from time to time to appoint any one person not being a shareholder in the said Railway Company to be an ex-officio Director of the said Railway Company and to be called the Government Director which Director if and when appointed shall rank as and be one of the Board of Directors of the said Company and be entitled in all things to act as such and to exercise at his discretion a right of veto in all proceedings whatsoever at Boards of the said Directors except proceedings for the purpose of

communicating with the legal Advisers of the Company and shall not be removable except by order of the Secretary of State in Council and shall in case the whole number of Directors shall at the time of his appointment be filled up come and be in the place of the Director who shall retire from the direction according to the decision of the Board such decision being taken by ballot but such Government Director shall not be entitled to any salary from the said Railway Company PROVIDED ALWAYS that nothing hereinbefore contained shall authorize the Secretary of State in Council to appoint any Officers or Servants of the said Railway Company except such Government Director as aforesaid PROVIDED ALSO that the before mentioned Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents together shall not authorize the Secretary of State in Council to appoint more than one person to be Government Director of the said Railway Company at any one time.

Sanction of Expenditure.

11. THAT all the expenses of the said Railway Company shall from time to time be stated and submitted to the Secretary of State in Council for sanction and approval and as between the said Railway Company and the Secretary of State in Council shall be allowed so far only as the same shall from time to time have been sanctioned and approved by the Secretary of State in Council PROVIDED ALWAYS that the last mentioned stipulation shall not interfere with any such subsidiary agreement or agreements (if any) as from time to time may be made between the said Railway Company and the Secretary of State in Council for the performance of any part or parts of the said Railways and works constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents at any sum or sums of money to be specified in such subsidiary agreement or agreements in which case the expense in respect of the same shall be allowed and taken at the sum or sums which shall be agreed upon.

Capital Account.

12. THAT a Capital account relating to the construction of the said Lines of Railway constructed and to be constructed by the said Railway Company under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents and the works conveniences and telegraphs thereto respectively belonging and relating to the original cost of engines carriages and the plant and machinery shall be kept by the said Railway Company to which account all monies paid by the said Railway Company (the expenditure of which shall have received the sanction and approval of the Secretary of State in Council) shall from time to time be carried And when and so soon as the said Railways and works shall have been completed and furnished with the necessary Rolling Stock and Plant or at any earlier time or times if the Secretary of State in Council shall require the same the said Capital account shall be made up and a Statement shall be furnished to the Secretary of State in Council of the aggregate amount of Capital which according to such account shall have been expended and such amount shall by examination of such account be ascertained and certified by the Secretary of State in Council and thenceforth and from the opening of the said Railways respectively or any part or parts thereof respectively the cost of maintaining the same with their respective machinery and stock in good working condition shall be payable by the said Railway Company out of the revenue of the said Railway Company including any interest to be received from the Secretary of State in Council but upon any additions alterations or improvements (such as shall properly be chargeable to the Capital account) being thereafter made with the sanction and approval of the said Secretary of State in Council to of or in the said Railways or the works conveniences or telegraphs thereto belonging or the engines carriages and other plant and machinery the cost necessarily incurred in executing such additions alterations or improvements shall be added to the said Capital account And if it shall happen that any liability shall be incurred to third persons for consequential damages caused by any works executed by the Company under the sanction or authority of the Secretary of State in Council all expenses necessarily incurred in satisfying the same shall be paid by the Company and added to the said Capital account and the said Capital account shall from time to time be made up and stated afresh as occasion shall require and be ascertained and certified accordingly And this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Repairs and maintenance of Rolling Stock.

13. THAT at all times during the said determinable term of ninety-nine years the said Railway Company shall keep the said Line of Railway or so much thereof as shall be completed and opened for traffic and the works and conveniences belonging thereto and the telegraphs on the said Railway (if any) in a state of good repair and in good working condition to the satisfaction of the Secretary of State in Council and shall keep the same fully provided with Rolling Stock and Plant adequate to the service thereof to the satisfaction of the Secretary of State in Council.

Revenue Account.

14. THAT the said Railway Company shall in such forms and under such heads or divisions as shall be prescribed by the Secretary of State in Council keep accounts of all receipts and payments whatsoever in respect of the Railways constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents (other than such receipts and payments as properly belong to the Capital account hereinbefore agreed to be kept) And such accounts shall be called the "Revenue accounts of the Great Southern of India Railway Company" and shall be made up half-yearly to the Thirtieth day of June and the Thirty-first day of December in every year or to such other days in the year as the Secretary of State in Council shall appoint and shall be regularly transmitted to the Secretary of State in Council who shall be at liberty at all times in auditing the same accounts to make any corrections therein which may be necessary And this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Deposit of Revenue and Drafts thereon.

15. THAT all earnings and profits received by or on account of the said Railway Company in India shall be paid at such times and in such manner as the Secretary of State in Council shall direct without any deduction under any pretence whatever into the Treasury of the Government at Madras to an account to be kept separately to be called "The Revenue account of the Great Southern of India Railway Company" and when any money shall be required by the said Railway Company for any purposes sanctioned by the Secretary of State in Council such money may be drawn by the said Railway Company according to such arrangements as shall from time to time be made with the Secretary of State in Council for that purpose.

Guarantee of Interest.

16. THAT the Secretary of State in Council shall in addition to the interest payable in respect of the said sum of Five hundred thousand Pounds under the provisions of the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty and in addition to the interest payable under the provisions of the said Indentures of the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three respectively from time to time during the said determinable term of ninety-nine years pay to the said Railway Company in London half-yearly on the Thirtieth day of June and the Thirty-first day of December in every year interest at the rate of Four Pounds Fifteen Shillings per cent. per annum on the said sum of Three hundred and fifty thousand Pounds Sterling raised or to be raised for the purpose of these Presents or on such parts thereof as shall for the time being have been paid in London or Madras as aforesaid such interest upon any part of the said sum being considered in the first instance as running from the day on which the same part shall have been so paid.

Monies in excess.

17. THAT if the expenditure of the said Railway Company in making the said Lines of Railway and works constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents or otherwise in respect of the matters to be included in the said Capital account shall exceed the aggregate of the said three sums of Five hundred thousand Pounds One hundred and sixty-six thousand Pounds and Three hundred and fifty thousand Pounds the monies necessary to meet such excess shall be raised and paid by the said Railway Company into the Bank of England to the credit of the account of the Secretary of State in Council and the Secretary of State in Council shall from time to time during the then residue of the said determinable term of ninety-nine years pay to the said Railway Company half-yearly on the days

aforesaid interest on such monies at such rate as shall be mutually agreed upon to be calculated from the respective times when they shall have been so paid as aforesaid And this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Application of Profits.

18. THAT so soon as the said Railway Company shall begin to work the said Lines of Railway constructed or to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents or any part thereof and thenceforth during the said determinable term of ninety-nine years the net receipts which shall be realized during any half-year or from the commencement up to the first of the aforesaid half-yearly days on the Lines of Railway constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents or on either of them or on any parts or part thereof respectively after deducting therefrom all sums which shall have been expended in the repairs and maintenance of the said Railways and works and the repair and restoration of the Rolling Stock and Plant belonging thereto and the management and conduct of the said Railway Company and its affairs and which shall have been allowed or sanctioned by the Secretary of State in Council and also deducting such sum (if any) as with the consent of the Secretary of State in Council may be appropriated and set apart for repairing restoring and making good any deterioration of the said Railways and works or Stock and Plant and for the current expenses of working the said Railways the money to be so appropriated and set apart as a Reserve Fund or any part thereof being invested and accumulated or otherwise dealt with till required for application in any manner the said Railway Company may think fit subject to the sanction and approval of the Secretary of State in Council shall be applied in the first place in or towards discharge of the interest which shall be payable by the Secretary of State in Council under the Covenants in that behalf in the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty and in the said Indentures of the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three respectively and hereinbefore respectively contained in respect of the said half-year so as to exonerate the Secretary of State in Council and the revenues of India so far as the same net receipts will extend from the payment of such interest the money so to be applied being reckoned at the fixed and permanent exchange of One Shilling and Ten Pence per Company's Rupee and the residue (if any) of such net receipts shall be applied in manner following that is to say one moiety thereof shall be forthwith applied in the re-payment of such sums of money as shall at any previous time or times have been paid by the Secretary of State in Council to the said Railway Company under the Covenants in the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty and in the said Indentures of the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three respectively and hereinbefore respectively contained by way of interest as aforesaid together with simple interest on such sums of money at the same rate as the interest in respect of which such simple interest shall be so payable from the times of payment thereof respectively and such moiety shall be paid into the Treasury of the Government at Madras and shall be reckoned at the said rate of exchange and shall be applied in reduction and discharge of the whole of the interest payable to the Secretary of State in Council on the said sums of money before the same shall be applied in liquidation of any part of the principal thereof and the other moiety of the said surplus net receipts shall be paid to or applied for the use and benefit of the said Railway Company And if at any time during the said determinable term of ninety-nine years the whole of the monies previously paid by the Secretary of State in Council as aforesaid with interest thereon as aforesaid shall have been re-paid and discharged then for every half-year during such time and so often as the same shall

happen the said Railway Company shall be entitled for their own use and benefit to the entirety of the said surplus net receipts or (as the case may be) so much thereof as shall remain after such re-payment and discharge as last aforesaid shall have been made And this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Mails and Troops.

19. THAT the said Railway Company will at all times during the said determinable term convey on the said Lines of Railway constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents the Government Mails and Post bags and the guards and other servants of the Post Office in charge thereof free of charge and when they are on duty all Officers and persons in the administration of the Post Office also free of charge and will also convey on the said Railways when they are on duty the Troops in Her Majesty's Service both Horse and Foot and all other persons to whom the provisions of the Mutiny Acts and Regulations or Acts for the time being in force for Her Majesty's European and Indian Forces respectively shall be applicable and all artizans on the business of the Government the Officers and persons of similar station in life to be entitled to travel in First Class Carriages at Second Class Fares and the Troops and European artizans in Second Class Carriages at the lowest fares and all other persons at the lowest fares with two tons of baggage for every one hundred men free of charge and will also convey on the said Railways all general stores belonging to the Government and all guns ammunition horses and other animals used for Military purposes and all Military stores carriages waggons camp equipage and equipments whatsoever at the lowest rate for the time being chargeable for the carriage of such animals goods and merchandize the several privileges of conveyance and carriage hereby stipulated for being at all times to be used and enjoyed in preference to and priority over the public use of the said Lines of Railway for conveyance and carriage.

Ultimate rights of Property.

20. THAT at the end of the said term of ninety-nine years by effluxion of time the land provided and to be provided in pursuance of the said Indenture of the First day of September One thousand eight hundred and fifty-eight and of these Presents with the Railway thereon respectively and all buildings works fixed machinery telegraphs and conveniences whatsoever shall revert to and become the property of Her Majesty her heirs and successors for the purposes of the Government of India free from all debts and charges whatsoever (save such as shall have been sanctioned by the Secretary of State in Council) and any lands in Great Britain which may then be held by the said Railway Company for the purposes of their business shall be sold and the clear monies produced by such sale shall be paid into the Bank of England to the account of the Secretary of State in Council and the said Railway Company shall deliver to the Secretary of State in Council for the purposes of the Government of India all plans surveys sections books printings writings drawings and documents whatsoever in anywise connected with the undertaking and affairs of the said Railway Company And the said Railway Company shall sell and the Secretary of State in Council on behalf of Her Majesty and for the purposes of the Government of India shall purchase all the engines carriages stock machinery and plant which shall be then used in working the said Railways or otherwise in connection therewith or belonging thereto respectively for such sum of money as shall be the fair value thereof the same to be determined in case of difference by a valuation to be made by Referees or by their Umpire to be respectively appointed in the usual manner and the Secretary of State in Council shall pay out of the revenues of India to the said Railway Company in London the sum of money to be so determined within four months after such determination with interest thereon at the rate of Five Pounds per cent. per annum from the expiration of the said term of ninety-nine years.

Surrender.

21. THAT after any portion of the Railways constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents shall have been finished and in work for three Calendar months at least it shall be lawful for the said Railway Company then or at any time thereafter during the said term of ninety-nine years to give notice

in writing of their intention to surrender and relinquish the said Railways and works to Her Majesty for the purposes of the Government of India on any day to be mentioned in such notice so that such notice be served at least six Calendar months before that day both on the Secretary of State in Council in London and also on the Secretary of Government at Madras and in case of such notice being given the said Railway Company shall at the expiration thereof surrender and relinquish to Her Majesty for the purposes of the Government of India the said Railways and works accordingly together with the telegraphs (if any) and shall with all convenient speed sell any lands in Great Britain which may then be held by the said Railway Company for the purpose of their business and pay the clear monies to be produced by such sale into the Bank of England to the account of the Secretary of State in Council and shall deliver to the Secretary of State in Council or his authorized Agents on behalf of Her Majesty for the purposes of the Government of India the engines carriages stock plant and machinery belonging to the said Railways and works respectively and all plans surveys sections printings writings drawings and documents whatsoever connected with the undertaking and affairs of the said Railway Company and the premises to be so surrendered and delivered shall be accepted and received accordingly it being expressly agreed that the said Railways works stations telegraphs engines carriages stock plant and machinery shall at the time of such surrender and delivery be in good working order according to the Covenant in that behalf in the said Indenture of the First day of September One thousand eight hundred and fifty-eight and hereinbefore respectively contained on the part of the said Railway Company and immediately upon such surrender and delivery being made the Secretary of State in Council shall be bound to pay out of the revenues of India to the said Railway Company the Capital expended by the said Railway Company upon the said Railways works and premises so to be surrendered and delivered such expended Capital being ascertained and certified in the manner hereinbefore mentioned together with such parts (if any) of the Capital raised for the purposes of the said Indenture and of these Presents as shall remain in the Bank of England to the account of the Secretary of State in Council and to discharge and indemnify the said Railway Company from all debts and liabilities incurred with the sanction of the Secretary of State in Council and thereupon the Covenants in the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty And in the said Indentures of the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three respectively (so far as respects interest on the Capital represented by shares taken in exchange for mortgages) and hereinbefore respectively contained for payment of interest shall cease as from the day upon which the said Railways and works are to be surrendered and accepted and all claims by the Secretary of State in Council on account of interest on the said Railway Company shall also cease and the Secretary of State in Council shall be at liberty to retain out of any monies payable to the said Railway Company the amount of all claims and demands of any sort then existing against the said Railway Company on their Revenue account in respect of their undertaking and which shall not be shown to have been fully satisfied and discharged until the same shall have been shown to be so satisfied and discharged PROVIDED ALWAYS that the Secretary of State in Council shall not be liable to refund any sum expended in the maintenance or working of either of the said Lines or any part thereof respectively after the same shall have been opened which sum is to be provided by the Railway Company out of the revenues of the Lines and interest as hereinbefore provided or otherwise and this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Purchase.

22. THAT at any time within six Calendar months after the expiration of the first twenty-five years of the said term of ninety-nine years or at any time within six Calendar months after the expiration of the first fifty years of the same term it shall be lawful for the Secretary of State in Council to give notice to the said Railway Company in London and at Madras of his intention to purchase on behalf of Her Majesty for the purposes of the Government of India the Railways and works constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents respectively together with the stations and telegraphs (if any) and the engines carriages stock plant and machinery belonging to the said Railways and works but subject to such debts and liabilities (if any) as may have been incurred to Her Majesty or to the Secretary of State in Council (exclusive of any arrears of the interest on the Capital of the said Railway Company paid by the Secretary of State in Council which shall not have been re-paid) or to any person or persons with the sanction of the Secretary of State in Council and to interest on such of the said debts as carry interest from the day on which possession shall be taken of the said Railways but not from any earlier time and thereupon at the half-yearly day next but one following such notice the land provided or to be provided as aforesaid with the Railways thereon and all buildings works fixed machinery stations telegraphs and conveniences whatsoever shall revert to and become the property of Her Majesty for the purposes of the Government of India and in case any lands in Great Britain shall then be held by the said Railway Company for the purpose of their business the same shall be sold and the clear monies to be produced by such sale shall be paid into the Bank of England to the account of the Secretary of State in Council and the said Railway Company shall at the same time deliver to the Secretary of State in Council or his authorized Agents on behalf of Her Majesty for the purposes of the Government of India the engines carriages stock plant and machinery belonging to the said Railways and works and all plans surveys sections books printings drawings writings and documents whatsoever in anywise relating thereto and the Secretary of State in Council shall be bound to pay in London out of the revenues of India on the said half-yearly day for the purchase of all the same premises a sum equal to the amount of the value of all the shares and Capital stock in the said Railway Company issued or created for the purposes of the said Indenture of the First day of September One thousand eight hundred and fifty-eight and of these Presents or of the said Indentures of the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three or either of them calculated according to the mean market value in London of such shares or stock during the three years immediately preceding the expiration of the said period of twenty-five years or the said period of fifty years as the case may be And shall also be bound to indemnify the said Railway Company against all such debts and liabilities (if any) as they may have incurred to or with the sanction of the Secretary of State in Council and as shall be then subsisting and thereupon the Covenants in the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty And in the said Indentures of the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three respectively (so far as respects interest on the Capital represented by shares taken in exchange for mortgages) and hereinbefore contained for payment of interest shall cease and this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Possession as a remedy.

23. THAT if default shall be made by the said Railway Company in the raising and payment of the said sum of Five hundred thousand Pounds in pursuance of the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty or of the said sum of Three hundred and fifty thousand Pounds or any of the instalments thereof respectively or such further Capital as shall be required for the construction of the Railways constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents or in the due application of any monies drawn in London or in India as aforesaid or in the execution of the said Railways and works conformably with the Covenants in that behalf in the said Indenture of the First day of September One thousand eight hundred and fifty-eight and hereinbefore respectively contained or in case the said Railways shall not be

worked to the satisfaction of the Secretary of State in Council or in case of any other breach on the part of the said Railway Company of any of the Covenants of the said Indenture of the First day of September One thousand eight hundred and fifty-eight and hereinbefore respectively contained it shall be lawful for the Secretary of State in Council on giving to the said Railway Company at Negapatam or other the place of their Office in India three Calendar months' notice of his intention in that behalf to terminate the interest of the said Railway Company in the said lands Railways telegraphs and works to be taken constructed and made under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents and on behalf of Her Majesty for the purposes of the Government of India to assume possession of the said lands Railways telegraphs and works respectively and of all or any of the engines carriages stock plant and machinery provided for the same or belonging thereto and all plans surveys books printings drawings writings and documents whatsoever in anywise connected with the said Lines of Railway and in that case any lands in Great Britain which may then be held by the said Railway Company for the purpose of their business shall with all convenient speed be sold and the clear monies to be produced by such sale shall be paid into the Bank of England to the account of the Secretary of State in Council And in case of such notice being given the Secretary of State in Council shall be liable to re-pay out of the revenues of India within six Calendar months after its expiration to the said Railway Company in London the Capital expended by the said Railway Company upon the said Railways and works so ascertained and certified as hereinbefore is mentioned after a proper deduction for all debts and liabilities then affecting the said Railway Company or the property of the said Railway Company the money to be so re-paid to include so much (if any) of the Capital of the said Railway Company as shall then remain in the Bank of England to the account of the Secretary of State in Council and also to discharge exonerate and indemnify the said Railway Company from all debts obligations and liabilities for works and expenditure undertaken with the sanction of the Secretary of State in Council and thereupon the Covenants of the Secretary of State in Council in the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty and in the said Indentures of the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three respectively (so far as respects interest on the Capital represented by shares taken in exchange for mortgages) and hereinbefore respectively contained for payment of interest shall cease and all claims by the Secretary of State in Council on the said Railway Company shall also cease the intention of the parties hereto for the purposes intended to be provided for by this Clause being that the said Railway Company shall under all the circumstances receive back their Capital expended with such sanction as aforesaid and that such re-entry and assumption of possession and the exercise by the Secretary of State in Council of the powers and authorities by this Clause given to him shall be the only penalty to which the said Railway Company shall be liable in case of default in raising sufficient Capital for the purposes of the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty or of these Presents or in constructing and working the said Railways and works to the satisfaction of the Secretary of State in Council And this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Repairs by the Government of India.

24. THAT if default shall be made by the said Railway Company after the said Lines of Railway constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents or any portion thereof shall have been completed and opened for traffic in their Covenants to keep the said Lines of Railway and works or such part thereof as shall have been completed and opened for traffic in repair and condition for the space of one Calendar month next after notice in writing in that behalf from the Secretary of State in Council to the said Railway Company at Madras it shall be lawful for the Secretary of State in Council by his Agents to enter on the said Lines

of Railway and works and to do and execute all such works as may be required for fulfilling the said Covenants and to charge the expenses of the same against the said Railway Company by setting off the amount of such expenses against any monies then payable or which shall thereafter become payable by the Secretary of State in Council for interest under the said Indenture of the First day of September One thousand eight hundred and fifty-eight as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty and the said Indentures of the Twenty-third day of August One thousand eight hundred and sixty the Twentieth day of November One thousand eight hundred and sixty-one and the Seventh day of February One thousand eight hundred and sixty-three respectively (so far as respects interest on the Capital represented by shares taken in exchange for mortgages) and these Presents which interest shall in such case to that extent be considered as paid and satisfied by such set off or retainer And shall for all the purposes of the said Indenture of the First day of September One thousand eight hundred and fifty-eight so varied and of these Presents respectively be regarded and considered as interest actually paid by the Secretary of State in Council to the said Railway Company in pursuance of their Covenants in that behalf in the said Indenture and hereinbefore respectively contained and if such expenses shall not be satisfied by such set off and retainer as aforesaid then the Secretary of State in Council may set off and deduct the same against and from all or any part of any other monies which shall on any account whatsoever be or become payable by the Secretary of State in Council to the said Railway Company And this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Annuity communication.

25. THAT in every or any case in which under the provisions of these Presents the Secretary of State in Council shall before the expiration of the said term of ninety-nine years become bound to re-pay the Capital expended by the said Railway Company upon the said Lines of Railway and works or otherwise to pay for the purchase of the said Lines of Railway works and stock as the case may be it shall be lawful for the Secretary of State in Council instead of paying a gross sum of money in respect of the premises to declare by notice to the said Railway Company in London his option to pay an annuity to be reckoned from the time when the gross amount would be payable and to continue during the residue of the said term of ninety-nine years and in that case such annuity shall be payable in London on such two half-yearly days in the year as shall be selected by the Secretary of State in Council in that behalf with a fractional part for any broken half-year the rate of interest which shall be used in calculating such annuity being determined by the average rate of interest during the preceding two years received in London upon public obligations of the East India Company and other public obligations issued in London by the Secretary of State in Council and which shall be ascertained by reference to the Governor and Deputy Governor of the Bank of England for the time being PROVIDED ALWAYS that the aforesaid option shall not apply to the undrawn portion (if any) of the Capital of the said Railway Company which portion is to be re-paid to the said Railway Company with interest under the provision in that behalf in the said Indenture of the First day of September One thousand eight hundred and fifty-eight and hereinbefore respectively contained in case the said Railway Company shall relinquish or be deprived of the said Railways and works as aforesaid And this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Return of surplus.

26. THAT if after the said Railways and works constructed and to be constructed under the said Indenture of the First day of September One thousand eight hundred and fifty-eight and these Presents including the telegraph if required shall have been completed and furnished with adequate working stock the whole of the Capital raised by the said Railway Company shall not have been required for the purpose of said Capital account the surplus thereof shall to the extent to which the same shall have been paid into the Bank of England to the account of the Secretary of State in Council be refunded to the said Railway Company in London with such interest as shall be due on such Capital at the time and thereupon the aforesaid Covenants for payment of interest shall no longer apply to the Capital which shall have been so

refunded and this present Clause shall be in substitution for the corresponding Clause of the said Indenture of the First day of September One thousand eight hundred and fifty-eight.

Sanction of Secretary of State in Council.

27. THAT any notice direction requisition appointment certificate of opinion approval of or sanction to be given or signified on the part of the Secretary of State in Council for any of the purposes of the said Indenture of the First day of September One thousand eight hundred and fifty-eight or of these Presents shall be sufficient and binding if signed by the Secretary of State for India or one of the Under Secretaries of State or by the Secretary of Government at Madras or by any other Officer or servant duly authorized to act on behalf of the Secretary of State in Council in respect of the matters to which the same shall relate And that neither the Secretary of State in Council nor the said Railway Company shall in any case be bound in respect of the matters aforesaid unless by some writing signed in the manner before mentioned.

Railway office in Negapatam and Agent.

28. THAT the said Railway Company shall keep an Office of the said Railway Company at all times hereafter during the said term established at Negapatam or at such other place or places as shall be agreed upon between the Secretary of State in Council and the said Railway Company and the said Railway Company shall keep at the said Office an authorized Agent or authorized Agents with whom the Secretary of State in Council and the Government at Madras may communicate on affairs concerning the said Railway and all Drafts drawn by the said Agent or Agents and all receipts of and acts done by such Agent or Agents on behalf of the said Railway Company or concerning the said Railway works and stock shall be binding on the said Railway Company and every notice to be given to the said Railway Company shall be sufficiently given if left at the said Office or personally served on such Agent or Agents.

Legislation in India.

29. THAT the Secretary of State in Council shall promote the passing by the Governor General of India in Council of any Act or Acts which shall be necessary or convenient for enabling the said Railway Company to fulfil in India the objects of the undertaking according to the terms and conditions of these Presents.

Certain parts of the Indenture of the 1st September 1858 superseded.

30. THAT the several Clauses of the said Indenture of the First day of September One thousand eight hundred and fifty-eight for which the Clauses hereinbefore contained and numbered respectively 8, 12, 14, 17, 18, 21, 22, 23, 24, 25 and 26 are hereinbefore declared to be substituted shall be deemed to be superseded by this present Contract and in other respects the Covenants terms and provisions of the same Indenture as varied by the said Indenture of the Fourteenth day of February One thousand eight hundred and sixty so far as they are capable of taking effect shall be and remain in full force as if this present Contract had not been made IN WITNESS whereof Sir HENRY CONYNGHAM MONTGOMERY Baronet and Sir PROBY THOMAS CAUTLEY K. C. B. being two Members of the Council of India have hereunto set their hands and seals and the said Railway Company have caused their common seal to be affixed the day and year first above written.

SIGNED SEALED AND DELIVERED by the said Sir HENRY CONYNGHAM MONTGOMERY and Sir PROBY THOMAS CAUTLEY being two Members of the Council of India in the presence of

(Signed) H. C. MONTGOMERY.

(„) P. T. CAUTLEY.

(Signed) C. . FRANKS.

(Signed) H. W. NOTMAN,
Secretary.

தமிழ்நாடு ஆவணக்காப்பக நூலகம்,
எழும்பூர், சென்னை-600 008.

தவணைத்தாள்.

சே எண் : ப. எண் :

வழங்கிய நாள். (1)	திரும்பிய நாள். (2)	வழங்கிய நாள். (1)	திரும்பிய நாள். (2)
21/11/3[illegible]			

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