

Financial (1897) Department.

ORDINARY MS.

G.O., No. 850

Dated 11-20-97

INDEXED.

4/5

[Despatch Abstract.]

Recording proceedings,
P.W. dept, Commr to the Special, South Indian
Railway, letter from the Govt approving
and confirming the agreement
entered into, on behalf of the Secy of
State, with the S.I.Ry. Company for
working the Mayavaram-Mutpet
Railway.

T 13/10/97

14/10/97

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Financial (1897) Dept.

CURRENT NO 2980

RAILWAY.

Government (1897) of Madras.
PUBLIC WORKS.

Recd. 23-9-1897.
Regd. 23/9/1897

Enclosures

Spare copies

G.O., No. 601 R., 27th August 1897.

AUGUST.

Recorded

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Please send p.c.
for Mayavaram-Mutupet line.

9/10/97

none available either in
this Dept. or S.P.D. By K. K. K.
Please phone from Madras. 11/10/97

Copy sent to ABC.
14.10.97

Agreement for working the Mayavaram-Mutupet Railway

Government of India letter approving and confirming the — entered into on behalf of the Secretary of State with the South Indian Railway Company, communicated to the Agent of that railway.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read the following papers :—

From the Officiating Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to the Secretary to the Government of India, Public Works Department, Simla, dated Ootacamund, the 24th July 1897, No. 498 R.

With reference to your letter No. 983 R.T., dated the 29th December 1896, I am directed to enclose, for favour of formal confirmation, a copy of the agreement which has been entered into on behalf of the Secretary of State with the South Indian Railway Company for working the Májavaram-Mutpet Railway.

For giving effect to the provision of clause 12 of the agreement, correspondence is proceeding between the Consulting Engineer, Madras, and the Railway Company's Agent in regard to the schedule of capital expenditure at Májavaram and Tiruvallur junctions. The result shall in due course be communicated to you.

ENCLOSURE.

THIS INDENTURE, made the twenty-second day of July 1897, between the Secretary of State in Council of India of the one part, and the South Indian Railway Company Limited of the other part, WHEREAS under the provision contained in clause 10 of an Indenture dated the 24th day of November 1890 and made between the Secretary of State in Council of India of the one part and the South Indian Railway Company Limited of the other part, the Secretary of State in Council of India has called upon the said Company to work the line of Railway between Májavaram and Mutpet. NOW THIS INDENTURE WITNESSETH and it is hereby agreed and declared as follows :—

1. In this agreement, unless there is something repugnant thereto in the subject or context, the following words and expressions shall have the following meanings :—

"The Secretary of State" means the Secretary of State in Council of India.

"The Company" means the South Indian Railway Company Limited.

"The Májavaram-Mutpet Railway" means the line of Railway extending from Májavaram on the South Indian Railway to Mutpet.

"The undertaking" means the South Indian Railway, purchased by the Secretary of State, and includes any other Railways or parts of Railways handed over to or left in the possession of the Company on the 1st day of January 1891, or which may have been or may be handed over to or left in the possession of the Company after the aforesaid date, in accordance with the provisions contained in the hereinbefore mentioned contract dated the 24th day of November 1890, and made between the Secretary of State of the one part and the Company of the other part.

"Gross receipts" means and includes all receipts from Coaching and Merchandise traffic, and from the carriage of mails, and the use of the telegraphs, and all other sums received in respect of rents and tolls on bridges, and from all other sources the receipts from which are generally treated as revenue on Indian Railways.

Definition clause.

The Secretary of State.
The Company.

The Májavaram-Mutpet Railway.

The undertaking.

Gross receipts.

"Capital expenditure" means and includes the cost of New Works, plant and machinery, and of substantial improvements of, and additions to, old works, permanent way, plant and machinery, including the cost of any temporary New Work the construction of which is requisite for the construction of a work properly chargeable to Capital. Provided nevertheless that any item of expenditure properly chargeable to Capital in accordance with this principle shall from time to time, if not exceeding Rs. 1,000, be classed as a "Minor Work" and be charged to Revenue expenditure within a maximum amount in each half-year of Rs. 15 per open mile of Railway, and provided that if at any time the old rails and fastenings originally laid be replaced by new rails and fastenings the difference in cost between such old and new material shall be borne by Capital, and provided also that no portion of the salaries or allowances of any of the Company's permanent supervising or other administrative Staff although employed for the time being partly or wholly in directing or superintending work chargeable to Capital shall, except with the express sanction of the Secretary of State, be charged to Capital, and that no expenses connected with the engagement or passage from or to England of any person in the Service of the Company shall be charged to Capital unless such person shall have been specially engaged to carry out work chargeable to Capital, and been actually employed upon such work.

"Revenue expenditure" means and includes the same percentage of the gross receipts of the Májavaram-Mutpet Railway as that of the gross receipts of the undertaking which the Company shall expend in accordance with its rules in force from time to time on working and maintaining the whole of the undertaking, including any lines which the Company work and maintain from time to time with the addition of the costs of making good any damage affecting the said Májavaram-Mutpet Railway due to any extraordinary casualty, or otherwise as provided for in clause 2 of this agreement, and also the payment for the use of the Company's rolling-stock of a sum of 5 per cent. upon the gross receipts of the Májavaram-Mutpet Railway for each half-year as provided for in clause 3 hereof, and with the addition also of all sums to be charged or debited to the Májavaram-Mutpet Railway on account of the Capital expenditure by the Company at the joint stations as provided for in clause 12 hereof.

"Working expenses" means and includes the expenses incurred by the Secretary of State, or by the Company with the sanction of the Secretary of State in or about or in connection with the management, maintenance and working of the undertaking and Railways worked and maintained by the Company, with the exception of the costs of making good any damage affecting the Májavaram-Mutpet Railway due to any extraordinary casualty, or otherwise as provided for in clause 2 hereof, and also the payment for the use of the Company's rolling-stock as provided for in clause 3 hereof, and excluding also all sums to be charged or debited to the Májavaram-Mutpet Railway on account of the Capital expenditure by the Company at the joint stations as provided for in clause 12 hereof.

"South Indian Railway through traffic" means all traffic of the South Indian Railway between places on the South Indian Railway on either side of Májavaram or Tiruvallur and therefore only passing through one of those stations.

"Májavaram-Mutpet Railway through traffic" means all traffic of the Májavaram-Mutpet Railway between places on the Májavaram-Mutpet Railway on either side of Tiruvallur and therefore only passing through that station.

"Cross traffic" means all traffic passing over the Májavaram-Mutpet Railway but not originating or terminating on that line.

"Interchanged traffic" as regards Májavaram junction, means all traffic booked or invoiced between stations other than Májavaram on the South Indian Railway and other than Májavaram on the Májavaram-Mutpet Railway, and as regards Tiruvallur, all traffic booked or invoiced between stations other than Tiruvallur on the South Indian Railway and other than Tiruvallur on the Májavaram-Mutpet Railway.

"South Indian Railway local traffic" means all traffic booked or invoiced between Májavaram or Tiruvallur and any station on the South Indian Railway.

"Májavaram-Mutpet Railway local traffic" means all traffic booked or invoiced between Májavaram or Tiruvallur and any station on the Májavaram-Mutpet Railway.

2. On and from the 2nd April 1894, the date on which the Májavaram-Mutpet Railway

was opened by the Company for public traffic, the Company shall be deemed to have maintained and shall maintain such Railway in good repair and in good working order and condition—Provided always that the costs and expenses of such maintenance shall be borne by the Company so far only as such maintenance shall have been or be necessary to make good damage caused by the ordinary wear and tear incident to the use and working of the said Railway and the works in connection with the same by the Company, and the conveyance of traffic thereon by the Company and not further or otherwise, and the Company shall not bear nor be put to any cost or expense for, or in respect of, any repair, restoration, renewal or replacement necessary to make good any damage that may have occurred to the said Railway and works or any portion thereof, which may have been or be due to extraordinary casualty affecting the said Railway and works, or to any cause other than the ordinary wear and tear of a Railway incident to the use and working thereof and the conveyance of traffic thereon, and to the occurrence of which the Company shall not have in any way contributed by any act, neglect or default of their own.

Capital expenditure.

Revenue expenditure.

Working expenses.

Through traffic, South Indian Railway.

Through traffic, Májavaram-Mutpet Railway.

Cross traffic.

Interchanged traffic.

Local traffic, South Indian Railway.

Local Traffic, Májavaram-Mutpet Railway.

Maintenance.

Rolling stock.

3. The Company further undertake to provide sufficient rolling stock for the movement of traffic over the Mâyavaram-Mutupet Railway in consideration of the payment of a sum of 5 per cent. upon the gross receipts of the Mâyavaram-Mutupet Railway for each half-year.

Rates and fares.

4. The Company shall charge such rates and fares for the carriage of passengers and goods over any portion of the Mâyavaram-Mutupet Railway as shall from time to time be agreed upon between the Company and the Secretary of State, such rates and fares not being greater than the maximum rates and fares, nor less than the minimum rates and fares, for the time being respectively in force on the undertaking.

Revenue accounts.

5. The Company shall keep, in rupee currency, a distinct and separate account of the gross receipts derived from the working of the Mâyavaram-Mutupet Railway—Such account shall be made up half-yearly to the 30th day of June, and the 31st day of December in each year, and shall be regularly submitted by the Company to the Secretary of State who may audit the same and correct any error which may be discovered therein. The Company shall also within three calendar months after each of the said half-yearly days, render to the Secretary of State a summary of the said account for the half-year ending on such half-yearly day.

Payment of gross receipts into treasury.

6. The said gross receipts shall, at such times and in such manner as the Secretary of State may from time to time direct, be paid without deduction into any such Treasury of the Government of India as the Secretary of State may approve. The Revenue expenditure shall be adjusted on the monthly accounts of the Mâyavaram-Mutupet Railway in accordance with the results of each month's working and a final adjustment made at the end of each half-year to bring it into accord with the result of that half-year's working.

Company to execute new capital works.

7. The Company shall execute such new works as are chargeable to Capital expenditure in accordance with the provisions contained in clause 1 hereof and as may from time to time be necessary, after having first obtained the sanction of the Secretary of State for so doing and the cost of all such works shall be borne by the Secretary of State in accordance with the last mentioned provisions as to Capital expenditure.

Police.

8. The Secretary of State shall provide and maintain such a Police force as the Company with the approval of the Secretary of State shall from time to time require. The cost of providing and maintaining this force shall be defrayed in the following manner; that is to say, three-tenths shall be borne by the Secretary of State and the remaining seven-tenths shall be included in working expenses.

Telegraphs.

9. The Company shall arrange with the Secretary of State or otherwise for the supply and maintenance of the requisite telegraphs, and the costs of the supply of such telegraphs shall be borne by the Secretary of State, and all payments on account of the rental and maintenance thereof shall be chargeable to working expenses; and the necessary equipment of the telegraph offices at stations together with any additions thereto which may from time to time be found necessary shall be provided, furnished and equipped by the Company at the expense of the Secretary of State.

Land.

10. The Secretary of State shall provide free of cost for the Company any land that may at any time be required for the purposes of the Mâyavaram-Mutupet Railway.

Books, records and periodical returns.

11. The Company shall record and keep in proper books full and particular accounts of all its transactions and correspondence in any way relating to or affecting the Mâyavaram-Mutupet Railway or the business thereof, or any of the matters, or things, included or referred to in this agreement, so as at all times to exhibit fully and truly the state of its affairs in relation thereto in the same manner as prescribed in the aforesaid contract of the 24th day of November 1890, and made between the Secretary of State and the Company.

The Company shall for the above purposes maintain a separate journal and ledger, and shall also furnish all the returns required by Government including the following, viz. :—

Weekly—

- (a) Approximate statements of traffic.
- (b) Audited statements of traffic.

Monthly—

- (c) Capital Accounts.
- (d) Return of grants, receipts and expenditure.

Half-yearly—

- (e) Capital and revenue accounts for the half-year.

Yearly—

- (f) Six months' estimates.
- (g) Revised and budget estimates, capital.
- (h) Revised and budget estimates, revenue.
- (i) Finance accounts, capital and revenue.

12. The Mâyavaram-Mutupet Railway shall be debited with an annual rental or charge of $4\frac{1}{2}$ per cent. per annum upon the total amount of all capital outlay expended by the Company upon buildings, sidings, permanent way, and other works solely used by the said Mâyavaram-Mutupet Railway at the joint stations at Mâyavaram and Tiruvallur. Inter-
pany's
at joint
way

There shall also be an annual rental or charge of $4\frac{1}{2}$ per cent. per annum upon the total amount of all capital outlay expended by the Company upon buildings, sidings, permanent way, and other works jointly used by the Company and the Mâyavaram-Mutupet Railway at the aforesaid joint stations at Mâyavaram and Tiruvallur; and the same shall be distributed and debited as follows :—viz., one-fifth of the said rental or charge shall be treated as the proportion to be borne by the Company in consideration of the South Indian Railway through traffic and one-tenth shall be debited to the Mâyavaram-Mutupet Railway in consideration of the Mâyavaram-Mutupet Railway through traffic at Tiruvallur, and of the remainder of the said rental or charge there shall be debited to the Mâyavaram-Mutupet Railway a share proportional to the weight which its traffic (cross, local and interchanged) bears to the total weight of traffic (cross, local and interchanged) of the said joint stations and the residue shall be treated as the proportion to be borne by the Company in respect of its traffic other than through traffic.

13. If the Secretary of State and the Company shall fail to agree touching any matter with respect to which their agreement is required by this contract, or if in any case not herein specially provided for any dispute, question, or controversy shall at any time arise between the Secretary of State and the Company touching these presents or any section or thing herein contained, or the construction hereof, or any matter connected with these presents or the operation hereof, or the rights, duties, or liabilities of either party in relation to the premises, then and in every such case the matter as to which the Secretary of State and the Company shall fail to agree, or the matter in difference, as the case may be, shall be referred to two arbitrators, one to be appointed by each party, pursuant to and so as with regard to the mode and consequences of the reference, and in all other respects to conform to the provisions in that behalf contained in the Arbitration Act, 1889, or any subsisting statutory modification thereof. Arbitration.

14. This contract shall remain in force until either party gives to the other twelve months' previous notice of their intention to terminate the same, such notice to expire on the 31st day of December in any year. Termination of con-
tract.

In witness whereof Francis Joseph Edward Spring, acting for and on behalf of the Secretary of State in Council of India, and Archibald Douglas Graham Shelley, as agent in India for and on behalf of the South Indian Railway Company, Limited, have hereunto set their respective hands and seals the day and year first above written.

Signed, sealed and delivered by the abovenamed
Francis Joseph Edward Spring.

F. J. E. SPRING,
Offg. Joint Secy., P.W.D., Madras.

Signed, sealed and delivered by the abovenamed
Francis Joseph Edward Spring, acting for and
on behalf of the Secretary of State in Council
of India in the presence of Edmund Augustus
Waller.

Witness.

E. A. WALLER,
Exr., Guaranteed Ry. Accts., Madras.

Signed, sealed and delivered by the abovenamed
Archibald Douglas Graham Shelley.

A. D. G. SHELLEY, Capt., R.E.,
Agent, South Indian Railway Company, Ltd.

Signed, sealed and delivered by the abovenamed
Archibald Douglas Graham Shelley, acting for
and on behalf of the South Indian Railway
Company, Limited, in the presence of Herbert
Dent Johnston, Resident Engineer, South
Indian Railway.

Witness.

H. D. JOHNSTON.

From the Under Secretary to the Government of India, Public Works Department, (Railway Traffic), to the Officiating Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, dated Simla, the 17th August 1897, No. 643 R.T.

With reference to your letter No. 498 R., dated the 24th July 1897, forwarding a copy of the agreement entered into on behalf of the Secretary of State with the South Indian Railway Company for working the Mâyavaram-Mutupet Railway, I am directed to state that the Government of India are pleased to approve and confirm the said agreement, a copy of which will now be transmitted to the Secretary of State.

No. 601 R., 27TH AUGUST 1897.

ORDER—No. 601 R., dated 27th August 1897.

Communicated to the Agent, South Indian Railway.

(True Extract.)

[Handwritten signature]

Under Secretary to Government,
Railway Branch.

To the Agent South Indian Railway.

- „ Examiner, Guaranteed Railway Accounts.
- „ Local and Municipal Department.
- „ Financial Department.

Exd. S. J. Pereira.

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When examined _____

When signed _____

189

READ AGAIN G.O., No.
189

DATED

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT

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LETTER OF GOVERNMENT

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