

Marine (1897) Department.

Despatch
G.O., No. 256 *man*

DATED 17 March 1897 *17/3/97*

[Despatch Abstract.]

Vizagapatam Harbour. Desiring the Collector Vizagapatam and the P. P. Officer to advise Government in regard to the Concessions applied for for carrying out, by means of a Company, Mr. Horowood's smaller project for improving the —.

110/6

Regd.

1897.

Enclosures

Spare copies

G.O., No. 256, 17th March 1897.

MARCH

Vizagapatam Harbour

Vizagapatam Harbour

Desiring the Collector, Vizagapatam, and the Presidency Port Officer to advise Government in regard to the concessions applied for, for carrying out, by means of a Company, Mr. Thorowgood's smaller project for improving the —.

GOVERNMENT OF MADRAS.

MARINE DEPARTMENT.

READ—the following paper :—

Petition from Mr. A. MACNAB, to the Private Secretary to His Excellency the Governor, dated Madras, 11th February 1897.

His Excellency the Governor of Madras having been pleased to accord me the favour of an interview on the subject of the proposed harbour at Vizagapatam, I have the honor to submit herewith printed copies of correspondence embodying details of the scheme as formulated so far, and I beg leave here briefly to recapitulate the object aimed at and the terms we crave from Government.

His Highness the Maharajah of Vizianagram being anxious, in commemoration of the Jubilee of Her Majesty the Queen-Empress' reign, to promote the construction of the smaller or boat harbour at Vizagapatam designed by Mr. F. N. Thorowgood in 1892, has offered to guarantee, on the security of his estates, the interest on the capital required, and, on that guarantee, the capital, ten lakhs, is virtually promised in London, provided a formal concession to make the harbour be obtained from, and reasonable terms arranged with, the Government of Madras.

It is proposed to adhere strictly to the lesser scheme formulated by Mr. Thorowgood at an estimated cost of Rs. 6,11,000, but to allow a margin up to eight lakhs for possible excess in capital cost, and to add a further two lakhs to provide a sufficient equipment of warehouses, lighters and tugs to enable the Harbour Company to serve the trade as a warehouse and shipping company.

And in consideration of the Company constructing a harbour on these lines, I venture to ask of the Government of Madras, on behalf of His Highness the Maharajah of Vizianagram, that the following sources of income may be made available to the Harbour Company :—

- I. That the Harbour Company shall receive the full share of port dues on vessels, now allotted to the port of Vizagapatam, under the present system of division, the Harbour Company in turn paying the Port establishment.
- II. That the Harbour Company shall receive the full collections of Landing and Shipping dues, at present levied at two annas per ton (including any unexpended surplus at credit of the present Harbour Board) and shall have liberty, with the sanction of Government, to increase these dues to four annas per ton, with, in addition, the same special dues on jaggery (one anna per bag) as are levied at Cocanada.
- III. That the Harbour Company shall receive a free grant in perpetuity of so much of the land lying between the East Coast Railway's "Swamp line" and the town of Vizagapatam, as may belong to Government or the Municipality, to be reclaimed and made available for building sites with dredgings raised in the construction of the harbour.
- IV. That the Harbour Company shall be permitted as of right to carry on the business of a wharf, warehouse and shipping company, with the exclusive right to them to own large lighters and tugs, provided and so long as they do not charge more than the existing rates of masula boat hire.

I would further ask that the services of the Engineers of the East Coast Railway shall, if desired, be placed at the disposal of the Harbour Company for the work of construction, as has already, I understand, been assented to by Government.

It will be seen that, beyond a slight and quite inappreciable increase in the Landing and Shipping dues, His Highness the Maharajah, while standing guarantee for the interest on the capital, does not contemplate the imposition of any additional dues whatever either on shipping or produce, and that the policy of the Harbour Company will be to develop the trade of the port by improved and cheapened shipping facilities, and to rely for its income on that expansion and on such legitimate profits as it may earn from serving the trade as a wharf and shipping company.

I have confidence, therefore, in claiming for the scheme now submitted the sympathy and consideration of His Excellency the Governor, and I venture to hope that the Government of Madras will be pleased to grant the concession to make the harbour.

As vitally connected with this scheme, I shall ask permission to make a very earnest appeal to His Excellency, in the interests, not merely of His Highness the Maharajah and the proposed Harbour Company, but also of the general trade of the Vizagapatam district, for a reconsideration of the dividing point of the East Coast Railway between the Madras Railway Company and the Bengal-Nagpur State Railway. To make Vizianagram the dividing point would, as I shall endeavour to show, be hostile in the last degree to the general trade interests of the district, and I am to urge very earnestly that Tuni should rather be made the point of division, so as to give the Bengal-Nagpur Railway Company a port (Vizagapatam) at the southern extremity of its system, to which it would be its interest to draw down a portion of the trade of Orissa and the Central Provinces in exchange for so much of our existing traffic as it may divert to Calcutta, while the Madras Railway Company would similarly have Cocanada as a port at its northern extremity to develop.

Mis. No. 1187, Revenue.

Transferred to the Marine Department.

Fort St. George,
2nd March 1897.

(Signed) G. STOKES,
Ag. Secy. to Government.

ORDER—No. 256, Marine, dated 17th March 1897.

His Excellency the Governor in Council desires that the Collector, Vizagapatam, and the Presidency Port Officer will advise Government in regard to the concessions applied for.

(True Extract.)

Under Secretary to Government.

To the Collector, Vizagapatam.
" Presidency Port Officer.
" Revenue Department.
" Financial Department.

Exd. T. K. Narayana Aiyangar.

Marine
Revenue (1897) Department.

CURRENT No. ~~1153~~
321

21/2/97

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From
Private Secy to H. E. the
Governor

Order Mis. No: 1187.

Transferred to the
Marine Department.

No.

[Signature]
Ag. Secretary.

Dated 14th }
Received 16th } Feb 1897
Registered 18th } 5.3.97
Enclosures 3
Spare copies

ack.
26.2.97
For St. Sec. }
2^d Mar. 1897 }

SUBJECT.

Forwarding petition from
M. A. Macuab, regarding
the proposed Harbour at
Vizagapatam.

20

1^a 19/2/97

44. 13-3-97 R 15/3 197

BACK PAPERS

G.O.	No.	Department.	Date.
689 W		P.W.	12-12-92
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3512-13 W			10-11-91
2103 W			23-10-91
2982 W			
2787 W			

FURTHER PAPERS.

G.O.	No.	Department.	Date.

PETITION

REVENUE DEPT

MADRAS, 11th February 1897.

THE PRIVATE SECRETARY TO
HIS EXCELLENCY THE GOVERNOR OF MADRAS,
MADRAS.

SIR,

His Excellency the Governor of Madras having been pleased to accord me the favor of an interview on the subject of the proposed Harbour at Vizagapatam, I have the honor to submit herewith printed copies of correspondence embodying details of the scheme as formulated so far, and I beg leave here briefly to recapitulate the object aimed at and the terms we crave from Government.

H. H. The Maharajah of Vizianagram being anxious, in commemoration of the Jubilee of Her Majesty the Queen-Empress' reign, to promote the construction of the smaller, or Boat Harbour at Vizagapatam designed by Mr. F. N. Thorowgood in 1892, has offered to guarantee, on the security of his estates, the interest on the capital required, and, on that guarantee, the capital, Ten Lakhs, is virtually promised in London, provided a formal concession to make the harbour be obtained from, and reasonable terms arranged with, the Government of Madras.

It is proposed to adhere strictly to the lesser scheme formulated by Mr. Thorowgood at an estimated cost of Rs. 6,11,000, but to allow a margin up to eight lakhs for possible excess in capital cost, and to add a further two lakhs to provide a sufficient equipment of Warehouses, Lighters and Tugs to enable the Harbour Company to serve the trade as a Warehouse and Shipping Company.

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- That the Harbour Company shall receive the full share of Port Dues on vessels, now allotted to the Port of Vizagapatam, under the present system of division, the Harbour Company in turn paying the Port Establishment.
- That the Harbour Company shall receive the full collections of Landing and Shipping Dues, at present levied at two annas per ton (including any unexpended surplus at credit of the present Harbour Board) and shall have liberty, with the sanction of Government, to increase these dues to four annas per ton, with, in addition, the same special dues on jaggery (one anna per bag) as are levied at Cocanada.
- That the Harbour Company shall receive a free grant in perpetuity of so much of the land lying between the East Coast Railway's "Swamp line" and the Town of Vizagapatam, as may belong to Government or the Municipality, to be reclaimed and made available for building sites with dredgings raised in the construction of the harbour.
- That the Harbour Company shall be permitted as of right to carry on the business of a Wharf, Warehouse and Shipping Company, with the exclusive right to them to own large lighters and tugs, provided and so long as they do not charge more than the existing rates of masula boat hire.

I would further ask that the services of the Engineers of the East Coast Railway shall, if desired, be placed at the disposal of the Harbour Company for the work of construction as has already, I understand, been assented to by Government.

It will be seen that, beyond a slight and quite inappreciable increase in the Landing and Shipping Dues, H. H. The Maharajah, while standing guarantee for the interest on the capital, does not contemplate the imposition of any additional dues whatever either on shipping or produce, and that the policy of the Harbour Company will be to develop the trade of the port by improved and cheapened shipping facilities and to rely for its income on that expansion and on such legitimate profits as it may earn from serving the trade as a Wharf and Shipping Company.

I have confidence therefore in claiming for the scheme now submitted the sympathy and consideration of His Excellency the Governor, and I venture to hope that the Government of Madras will be pleased to grant the concession to make the harbour.

As vitally connected with this scheme, I shall ask permission to make a very earnest appeal to His Excellency, in the interests, not merely of H. H. The Maharajah and the proposed Harbour Company, but also of the general trade of the Vizagapatam District, for a reconsideration of the dividing point of the East Coast Railway between the Madras Railway Company and the Bengal-Nagpur State Railway. To make Vizianagram the dividing point, would, as I shall endeavour to show, be hostile in the last degree to the general trade interests of the district, and I am to urge very earnestly that Tuni should rather be made the point of division, so as to give the Bengal-Nagpur Railway Company a port (Vizagapatam) at the southern extremity of its system, to which it would be its interest to draw down a portion of the trade of Orissa and the Central Provinces in exchange for so much of our existing traffic as it may divert to Calcutta, while the Madras Railway Company would similarly have Cocanada as a port at its northern extremity to develop.

I have the honor to be,
Sir,

Your most obedient Servant,

A. MacNab.

CONFIDENTIAL.

VIZAGAPATAM HARBOUR SCHEME.

Correspondence in confirmation of H. H. The Maharajah of Vizianagram's offer to guarantee the interest on the required capital.

1. Letter from Mr. A. MacNab to H. H. The Maharajah of Vizianagram.

WALTAIT, 14th January, 1897.

To

HIS HIGHNESS

THE MAHARAJAH OF VIZIANAGRAM, G.C.I.E.,
Vizianagram.

MY DEAR SIR,

In deference to the desire you have expressed, and in which I entirely concur, that the results of our conference at Vizianagram on the 11th and 12th instant should be placed on record, I have now much pleasure in submitting to Your Highness in written form the understanding which we then came to in regard to the Vizagapatam Harbour Scheme.

Warmly interested as Your Highness has throughout been in this project, in common with all other schemes having for their object the development and welfare of the Vizagapatam District, you are anxious to set in train the promotion of a Company which shall undertake the construction of the lesser project formulated by Mr. F. N. Thorowgood, when he was sent out by the Secretary of State for India in 1892 on special deputation to frame estimates for a Harbour at the Port of Vizagapatam. Mr. Thorowgood then submitted to Government two alternative schemes, namely:—

1st.—A First Class Harbour, to cost Rs. 43,27,000; and

2nd.—A smaller or Boat Harbour, estimated to cost Rs. 6,24,000, designed (by the construction of a Northern Training wall, combined with dredging and extensive excavation to increase the tidal scour,) to permanently remove the bar at the mouth of the Harbour, and thus to admit of the use of steam tugs and large lighters (as at Cocanada).

The first of these projects is beyond the present needs or resources of the District, but, recognising that the lesser scheme would powerfully co-operate with the East Coast Railway, recently constructed by the Government of India, in developing the trade of the Vizagapatam and adjoining districts, and would probably lead to the construction at no distant date of a First Class Harbour at this Port, Your Highness has decided to extend to that scheme your powerful influence and support.

In furtherance of this decision, you have expressed your readiness to guarantee, and to pledge your estates in security for, the interest on the capital required, within the limits which I have now to place on record. The cost of the Boat Harbour in question as estimated by Mr. Thorowgood is, as stated above, Rs. 6,24,000, but, as it would be safer to assume that this figure may be considerably exceeded, it has been decided to take Eight Lakhs of Rupees as the probable cost of the Harbour, and to add a further Two Lakhs, if found necessary or desirable, to provide that equipment of warehouses, tugs and lighters, which would probably

be necessary to ensure to the trade of the Port full and immediate advantage of the Harbour. The total capital required would therefore be Ten Lakhs of Rupees, and upon that sum Your Highness is willing to guarantee interest for Twenty years at the rate of Five per cent. (5%) per annum, always provided more favourable terms cannot be secured. It is understood, and I gladly pledge myself, that I shall endeavour to obtain modifications on these terms in favour of Your Highness, not only as to the total capital to be raised under the guarantee, but as to the rate of interest and the duration of the guarantee; but, within these limits, as a maximum in each respect, Your Highness authorizes me to raise the necessary capital in Europe, and to pledge Your Highness in guarantee of the interest, promising at the same time, whenever they may be required, to execute such documents as may be needed to make your estates liable to implement the guarantee. You also authorize me, when the proper time comes, to approach the Government of Madras, and if necessary the Government of India, on your behalf with a view to obtaining from it or them the necessary concession to construct the Harbour.

As regards that concession, the following are the terms which I have ventured to recommend we should propose to Government:—

i. That the Harbour Company shall receive the full share Port Dues of on vessels, now allotted to the Port of Vizagapatam under the present system of division, the Harbour Company in turn undertaking to pay the Port Establishment.

ii. That the Harbour Company shall receive all collections of Landing and Shipping Dues, at present standing at Two Annas per Ton, and shall have liberty to increase these Dues, (always subject to the sanction of Government in each case,) to double their present rate, or say Four Annas per Ton as a maximum.

iii. That the Harbour Company shall receive a free grant in perpetuity of the swamp land lying between the backwater and the East Coast Railway's "swamp line," to be reclaimed and made available for building sites with the spoil dredged and the soil excavated to increase the tidal scour; and

iv. That the Harbour Company shall be permitted as of right to carry on the business of a Wharf, Warehouse and Shipping Company, without of course any actual, or implied, monopoly of that business.

It will be seen from these terms, and I am confident it must be appreciated by Government, that beyond a possible, and at the outside quite inappreciable, increase in the Landing and Shipping Dues, it is not contemplated to impose any additional charges whatever on either produce or shipping, and that the policy of the Harbour Company is, instead, to rely for its income, (apart from Your Highness' guarantee,) in the first place on that expansion in the volume of trade which should result from improved and cheapened shipping facilities, and, in the second place, from such legitimate profits as it may earn from serving that trade as a Wharf and Shipping Company.

While, however, these are the terms which we have provisionally discussed for submission to Government, I understand Your Highness is good enough to leave it to me to make the best terms possible with the Governments of Madras and of India, and, keenly appreciating as I do the extreme generosity of the support you thus extend to a project, which I too have warmly at heart, I tender you in turn my assurances that my best efforts will be applied to carrying out Your Highness' wishes, and that I shall watch, and study to safeguard at all points, the interests of Your Highness and your estates, as closely and carefully as if they were my own.

Begging that you will be good enough to ratify the understanding embodied in this letter,

I remain, My dear Sir,
Yours very sincerely,
(Signed) A. MACNAB.

2. Telegram from Mr. MacNab to Mr. Stuart Hall, London, despatched from Vizianagram on 11th January, 1897.

"Maharajah anxious get company formed construct work Harbour Vizagapatam costing ten lakhs offers guarantee interest not exceeding five per cent. period not exceeding twenty years, security unencumbered estates yielding annual revenue, about nineteen lakhs. Believing harbour should pay six seven per cent. few years, propose portion profits over guarantee then be applied reimburse Maharajah previous payments under guarantee. Also desirable secure Maharajah option buying back shares expiry each five years par or small premium. Telegraph freely what prospects getting capital these terms forming Company. Hope possible arrange lower interest fifteen years guarantee."

3. Translation of Code Telegram from Stuart Hall, Esq., London, to Mr. MacNab, dated 22nd January, 1897.

"We do not expect any difficulty in forming Company very similar to terms of your telegram. Bring home Maharajah's firm offer to remain in force one year. Obtain from Government official notice that they are in favour of the scheme and do not object to his pledging revenue proposed. It is of utmost importance certificate should be obtained showing revenue of estates offered as security and that he is free to pledge certified by lawyers in good repute. Also require plans, estimates cost also annual income. In order to meet requirements provide for lump sum of Rs. 1,00,000 expenses flotation."

4. Letter from H. H. The Maharajah of Vizianagram to Mr. MacNab.

FORT VIZIANAGRAM,
January 27th, 1897.

MY DEAR MR. MACNAB,

I am very much obliged to you for the pains which you have taken in putting my desire to see the Vizag. Harbour an accomplished fact into a practicable form.

As suggested by you in your letter dated the 14th January 1897, I shall have much pleasure in giving a guarantee of interest at 5 per cent. secured on my estate, or such lower rate as you may be able to arrange for, for 20 years on such sum, not exceeding ten lakhs of rupees, as may be requisite to carry out Mr. Thorowgood's smaller project at Vizagapatam and provided with an adequate equipment of tugs and lighters, &c. I also approve of the terms proposed in your letter with regard to the revenue to be set against my guarantee, and the principles by which the collection of the harbour dues should be regulated. It may be necessary to modify these terms somewhat to meet the views of Government, but I should be willing to listen favourably to any proposals of the sort, which do not seriously affect my financial position with regard to the project. It must be clearly understood, however, that I will not be responsible for any losses incurred in the working of the harbour, and that my liability will extend no further than the payment of 5% on the capital employed.

I shall of course rely on you to obtain the best terms you can for me with regard to the guarantee, within the above limits as to the period and rate of interest.

Thanking you again for the trouble which you have taken in this matter and for your long-standing interest in the development and prosperity of the Vizag. District,

I remain, My Dear Mr. MacNab,

Yours faithfully,

(Signed) A. R.,

Maharajah of Vizianagram.

5. Letter from M.R.Ry. V. Anantharow Puntalu Garu, Dewan Bahadur,
Joint Manager, Vizianagram Raj, to A. MacNab, Esq., Waltair.

MY DEAR SIR,

I am in receipt of your kind letter of 29th instant. His Highness the Maharajah of Vizianagram's letter to you *re* Harbour at Vizag. was despatched to your address on 29th inst., and I hope it is in your hands by this time. I have intimated the despatch to our mutual respected friend by wire to Madras.

In connection with the stipulations of the guarantee of interest on 10 lakhs for 20 years at 5⁰/₀, and better if possible, I have to represent to you that the important points, discussed at the interview we had at the Daba Garden on the occasion of your first visit to this place, be kindly borne in mind in finally settling the question of guarantee.

1. In consideration of the interest guaranteed having to be paid by the Maharajah during the period of construction of the harbour, when it is not expected to bring in any revenue, that the Maharajah should be entitled to receive half, or more, of the profits derived over and above the 5⁰/₀ secured, in order to cover the previous losses.

2. Whether, during the period of construction, the surety should pay the interest on the capital, so far as it is subscribed and paid, or whether the same should be paid out of the capital, as evidently is the case with regard to similar undertakings.

3. That the work should not be started unless and until the whole of the necessary capital is subscribed, and the Company have received perfect assurance that the amounts will be paid, all at once, or according to instalments, as the Company's Directors may decide.

4. That the Maharajah should have the option of buying over the whole concern during the period of the guarantee, should he choose to do so.

5. That the draft of the guarantee bond should be subject to the approval of the Maharajah.

As you have the interest of the Maharajah as much, if not more, at heart, as of the development of the country by constructing the Harbour at Vizag., I am desirous to submit the above points for your consideration. All of us have perfect confidence that you will do your best for our Samasthanum in this important matter. It is therefore hardly necessary to make any suggestions to you on the subject.

The Maharajah is desirous to know as soon as possible the success of your endeavours, with regard to the financial aspect of the project, so that he may be in a position to address the Governor's Agent at Vizag., asking him to obtain the sanction of Government to call the harbour "Her Majesty the Queen Empress' Jubilee Harbour," in permanent remembrance of Her Majesty's completion of 60 years of Her most illustrious and glorious reign, and also to solicit H. E. the Governor of Madras to lay the foundation of the harbour at Vizag.

I wish you God-speed and every success on the grand scheme, you are pleased to undertake, and I have every hope that, through your able exertions, our hopes of Vizag. Harbour shall be an accomplished fact in the near future.

With kindest regards,

I remain, My Dear Sir,

Ever yours sincerely,

(Signed) V. ANANTHAROW,

Jt. Manager.

VIZIANAGRAM, S. R. O.,
30th January, 1897.

6. Letter from Mr. A. MacNab to H. H. The Maharajah of Vizianagram.

COCANADA, 1st February, 1897.

To

HIS HIGHNESS

THE MAHARAJAH OF VIZIANAGRAM, K.C.I.E.,

Vizianagram.

MY DEAR MAHARAJAH,

I have the pleasure to acknowledge having received this morning, at Cocanada, your letter of 27th ultimo, in which you ratify the agreement, as embodied in my letter to Your Highness dated 14th idem, come to between us in regard to the Vizagapatam Harbour Scheme.

Armed with this commission and authority from Your Highness, I leave this to-morrow for Madras, there to approach Government with a view to obtaining from them the concession to make the Harbour, and you may rely upon my keeping you fully advised, by wire and letter, of progress made in this direction.

In the meantime, I have much pleasure in informing Your Highness that, since I had last the pleasure of seeing you, I have received a reply to the telegram, which I despatched from Vizianagram to London at your request, and I append for your information copies both of my telegram and of the reply now received.

From the latter, you will see that no difficulty is anticipated in obtaining the required capital on the terms I proposed, provided satisfactory proof is produced that the Government concession can be obtained, and subject to certain documentary evidence, which is recommended as a matter of form, confirmatory of the details given in my telegram of the nature of the security offered. That security being so undeniably good at all points, I take it, as a matter of course, that Your Highness will have no objection to my furnishing myself with the certificates suggested, for the satisfaction of intending investors.

From the accompanying copy of my telegram also, it will be observed that I stipulated for a portion of any surplus profits, earned, over the guaranteed rate of interest, being applied in reimbursement of previous liabilities, incurred by Your Highness under the guarantee, and also that the option should be reserved to you of buying back the shares in the Company at stated intervals, and it is satisfactory to know from the reply that no exception is at present taken to these conditions. We must perhaps be prepared to find, when we come to close quarters with capitalists, on my return to London next month, that there may be some difficulty in arranging terms, but, both in regard to that, and to the obtaining of more favourable terms of guarantee, you may rely, as I have already assured you, on my very best efforts being exerted to further, and protect, Your Highness' interests.

The telegram from London should suffice to satisfy Government that, upon the terms offered, the capital is available, and I feel confident that Government, recognising the extreme generosity of the support, which Your Highness is willing to extend to the project, both in guaranteeing the interest on the Capital, and in freeing the trade of the Port from the imposition of any, beyond merely nominal, additional dues, will have every disposition to grant us the concession. Government will probably, indeed almost certainly, stipulate for the right of redemption, but that is a stipulation which ought properly to be left to come from them, and I understand that Your Highness is willing, and indeed, anxious to leave to Government the right of acquiring the harbour at certain future dates, to be mutually agreed upon, and always of course on terms which would be fair to Your Highness.

Hoping then to be able to advise a successful issue to my present mission to Madras on Your Highness' behalf,

I remain,

My dear Maharajah,

Yours very faithfully,

A. MACNAB.

COPIES OF TELEGRAMS WITHIN REFERRED TO.

Despatched to London.—"Maharajah anxious get Company formed construct work harbour Vizagapatam, costing Ten Lakhs, offers guarantee interest not exceeding Five per cent. for period not exceeding Twenty years, security unencumbered estates yielding annual revenue about Nineteen Lakhs. Believing harbour should pay six seven per cent. few years propose portion profits over guarantee then be applied reimburse Maharajah previous payments under guarantee. Also think Maharajah should have option buying back shares at expiry each five years at par or small premium. Telegraph freely what prospects getting capital these terms, forming Company. Hope possible arrange lower rate interest fifteen years guarantee."

Reply received from London (in Code).—"We do not expect any difficulty in forming Company very similar to terms of your telegram. Bring home Maharajah's firm offer to remain in force one year Obtain from Government official notice that they are in favour of the scheme and do not object to his pledging revenue proposed. It is of utmost importance certificate should be obtained showing revenue of estates offered as security and that he is free to pledge certified by lawyers in good repute. Also require plans estimate cost, also annual income."

1st February, 1897.

7. Letter from The Right Reverend The Lord Bishop of Vizagapatam to Mr. MacNab.

VIZAGAPATAM, ST. ALOYSIUS' SCHOOL,

29th January, 1897.

DEAR MR. MACNAB,

After due consultation, it seems to us that Rs. 120 an acre would be a reasonable price for the plot of land situate between the railway line on the west of the swamp and the municipal backwater on the east and south sides. In addition to what I said yesterday, I beg you to pay attention to the fact that the said plot of land is separated from the backwater, both on the east and south, by a substantial and strong embankment, which has cost a good deal of money to the Mission, and might eventually be of great use to the purchasers.

If you think it advisable, Rev. J. M. Rossat, our Procurator, and I could meet you on the day and hour, you would be pleased to appoint, either here or in your own house, at your earliest convenience.

Believe me, Dear Mr. MacNab,

Yours sincerely,

† J. M. CLERC,

Bishop of Vizagapatam.

8. Letter from Mr. A. MacNab to The Right Reverend The Lord Bishop of Vizagapatam.

VIZAGAPATAM,

29th January, 1897.

MY DEAR SIR,

I thank your Lordship for your note of date just received, in which you name Rs. 120 per acre, as the price, at which you would be disposed to sell the plot of land, belonging to the Mission, lying between the East Coast Railway's "swamp line" and the Municipal backwater at Vizagapatam. I understand from what passed between us, when I had the pleasure of seeing your Lordship yesterday, that it is only to the promoters

of a harbour at Vizagapatam, which would improve the value of your remaining land, that you would be disposed to sell on these, or at present on any, terms, and, to such a Company, I cannot say, so far as I am able to judge, that the price you name would be at all unreasonable. It will be necessary, however, before proceeding further, to await the result of the representation, which I go down to Madras next week to place before His Excellency the Governor, and meanwhile the quotation you have been good enough to give me will be of great use to me in my negotiations with Government. I am very sanguine that such a concession will be granted to us, as will enable us to proceed at once with the formation of a Company in London to make the harbour, and in that case I will be in a position, on my return from Madras, to approach your Lordship with definite negotiations for the acquisition of the land. In the meantime, I accept with thanks the quotation you have given me, and on my return I shall lose no time in acquainting your Lordship with the result of my mission.

Believe me, My Dear Sir,

Yours Sincerely,

A. MACNAB.

To

THE RIGHT REVEREND THE LORD BISHOP OF VIZAGAPATAM,

Vizagapatam.

9. Extract of Demi-Official Letter from Mr. A. MacNab to Mr. Stuart Hall, London,
dated Cocanada, 27th January, 1897.

Vizagapatam Harbour.—The Maharajah of Vizianagram came in to Waltair to see Willock and myself, last Saturday evening, and the terms of his guarantee were finally discussed, and a letter, (drafted by Willock,) was given to the Maharajah, to be signed and sent to me. I have no doubt I shall get this in a day or two, and, armed with this, and your telegram showing that the capital can be got in London, I have now to approach the Government to get the concession. I think there will be very little difficulty in getting this, and there will be no difficulty whatever in obtaining satisfactory evidence of the revenue of the Vizianagram Estates offered in guarantee, and the Maharajah's entire liberty to make that guarantee a first charge on his revenues. I shall also be able, after my interview with the Governor, to bring home with me figures showing the revenue which may be expected at once from the harbour, in the form of Port Dues and Landing and Shipping Dues, (Rs. 25,000 to Rs. 35,000 a year,) which, with the improved shipping facilities, and consequent concentration of trade, which a harbour would pretty well ensure, should, I reckon, about double in a few years. The only part of your telegram which disturbs me is the concluding sentence, reading "In order to meet requirements provide for lump sum of Rs. 1,00,000 expenses flotation." I am afraid I must await your written advice to learn what, exactly, this means. The only explanation that suggests itself to me is that any Syndicate or Company, which may take up the project, and find the necessary capital, might stipulate for previous surveys and estimates by an engineer appointed by them, but this is neither necessary nor admissible in the present case, for the Maharajah's guarantee, as you would see from my letter by last mail, is based upon Thorowgood's survey and estimates, which are already before the India Office, while Thorowgood, (whose address is F. N. Thorowgood, Kolar, Wimbledon,) is at home and available for consultation. The services of the East Coast Railway Engineers have already been promised by Government to build the harbour, and Thorowgood's plans, also ready, are the only ones, on which it would be possible to proceed without years of discussion with Government, and are indeed the plans, upon which alone the Maharajah pledges himself. Your stipulation that the Maharajah's offer shall remain open for one year rather confirms me in the belief that it was these preliminary surveys and estimates that were intended to be covered by the one lakh for "flotation expenses." I have shown that such preliminary surveys and estimates are not required, or rather are already prepared, and I ought further to tell you that the Maharajah's desire and object is that the harbour shall be built as a public work in commemoration of the Queen's Jubilee; the Native Princes of India are everywhere erecting Bridges, Hospitals, Chuttrums in commemoration of the Jubilee, and the Maharajah, who yields to none in enthusiastic loyalty and devotion, is anxious that the harbour shall be put in hand, and, if possible, the foundation stone laid, on, or before, the date of the Queen's Accession, (20th June,) as his contribution to the celebration of the Jubilee. A year's delay therefore would practically defeat his object in this respect, and, the survey plans and estimates being ready and available, I hope I may take it that such delay is unnecessary. It is just possible I might get Government and/or the Maharajah to bear the *legal* expenses of flotation, but, failing that, it seems to me these expenses should be a capital charge. Of course in my cogitations over the possible meaning of the sentence in your telegram, which I am now referring to, the conjecture was unavoidable that the lakh of Rupees for flotation might include something in the way of "Promotion Money," but I earnestly hope that nothing in that way is expected, or intended. For this is not a case in which promotion money would be justifiable. The case would be different if the Maharajah were promoting a Company, who should acquire from him Mining or Forest Rights or such like, which belonged to him, and from the sale of which he would benefit, but here the Maharajah has no property in the Vizagapatam Harbour.

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any land adjoining; he will gain no personal advantage from the construction of the harbour, and he now comes forward out of pure public spirit to promote a work, of whose utility he has faith, and undertakes a liability, which few men would dream of accepting. I feel very strongly therefore that this is not a case, in which we can creditably countenance anything in the way of "promotion money," and I am sure that, when this is fully understood, you and our other friends at home, will agree with me in this. Nor can I imagine that anything in that way can be needed. The guarantee is excellent, and the security undeniable, while I hope to bring home with me very satisfactory evidence of the future prospects of the harbour, over and above the guarantee. It should therefore need no stock exchange engineering to get the capital. Quite certainly, we could get half the capital in the District itself, and we might possibly enough get the whole, but we want good names at home, to get the concession, and the investment is in my opinion quite good enough to make me desirous of first offering it to our friends at home.

Revenue Board Office,
(Separate Revenue),
MADRAS,

12 3 1897.

My dear Campbell
Mr. Macnab
- of Mr. Stuart Hall & Co.
Vizag - Submitted a letter to the
containing proposals regarding the
construction of the Vizag Harbour
last month. I see that it was
addressed to the Private Secretary
and possibly may not have been
regarded as formally laying the
proposal before Government in
consequence.
Could you let me know whether
it has come before for disposal
in the usual way. Thank you very much.

Vizagapatam Harbour.

The Hon: Mr Bliss. C. I. E.

Marine P. W. DEPARTMENT.

Read the following:—

Petition from Mr A. Macnab dated 11 February 1897.
Endd: thereon in the Revenue Dept: N^o 1187 mis: of
2^d March 1897.

FOR ORDERS.

This is a scheme for carrying out, by means of a Company, Mr. Thorowgood's smaller project for improving the Vizagapatam Harbour; the Maharaja of Vizianagram guaranteeing interest on certain conditions, on a loan of 10 lakhs to be raised for the purpose.

Yes - In the meantime please send me Mr. Thorowgood's report and plans. I have never seen the latter.

2. Submitted that the Collector and the Presidency Port officer, be asked to advise Government in regard to the concessions which Government is asked to make.

My letter
referred
- into P. W. D.
- to 16th March 1897

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C.A.W.

Please say whether the printed correspondence forwarded by Mr. MacKab with his petition to the Private Secy. should be printed.

This correspondence - or rather a portion of it - is marked 'Confidential',

Rur
16/3/87.

Flagged A.

H.L.

No. Only print the letter to the P.S. The enclosures do not seem essential.

R.S.
16 Mar 97

land from owner and if there
anything informal about it,
had better be set right before
the facts

You may
consider work

I don't think anything
has come to the notice
of the Government

W

Note

a cover from W. &
Mr. Willcock deftiled 4.5 P.M.
12/3/87

urgent

Marine

PUBLIC WORKS DEPARTMENT,

IRRIGATION BRANCH.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Under date the

Read the following

Petition from Mr. A. MacKale dated 11th February 1897.
Endorsement thereon in the Revenue Department,
No. 1187 Ins. dated 2nd March 1897.

3P

His Excellency the Governor in Council desires that the Collector, Vizagapatam, and the Presidency Port Officer will advise - Government in regard to the concessions applied for.

R.S.

16/3/87

The Collector, Vizagapatam
Presy. Port Officer
Dep't.

13/97

