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Government of Madras.

Public Works DEPARTMENT.

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Proceedings of the Madras Government, Public Works Department.
12th March 1866

No. 259 Read the following Circular from the Secretary to the Government of India, Public Works Department, (Railway,) to the Secretary to the Government of Madras, Public Works Department, (Railway), dated Fort William, 14th February 1866, No. 2.—

In forwarding, for information, copy of the following correspondence relating to a system of bribery, which is alleged to have obtained in Berar, in connection with the transit of cotton by rail, and the measures which were taken to put it down, the undersigned is directed to invite the expression of any remarks or suggestions that the Government of Madras may desire to offer on the subject.

(Signed) E. C. S. WILLIAMS, Captain, R. E.,
Under Secretary to the Government of India.

From the Resident at Hyderabad, to the Secretary to the Government of India, Foreign Department, dated 11th October 1865, No. 41.

I have the honor to submit, for the information of His Excellency the Governor General of India in Council, copy of a letter from the Commissioner, Hyderabad Assigned Districts, No. 1,223 of the 2nd October 1865, with enclosure, exposing the extent to which corruption has been carried on by Railway Station Masters in Berar, and to state that I have addressed the Bombay Government on the subject.

From the Commissioner, Hyderabad Assigned Districts, to the First Assistant Resident, Hyderabad, dated 2nd October 1865, No. 1,223-276.

1. I have the honor to forward copy of a letter from the Officiating Deputy Commissioner, Akolah, regarding the management of the Railway Stations in Berar

2. A gigantic system of bribery and corruption has been carried on by the Station Masters, and I doubt very much whether it will ever be put a stop to, unless the Railway Company can make arrangements for carrying the traffic of the country

From the Officiating Deputy Commissioner, Akolah District, to the Commissioner, Hyderabad Assigned Districts, dated 25th September 1865, No. 263.

1. In addressing you on the subject of the removal of the cotton that accumulates at the Railway Stations in Berar, I have the honor to state that I do so because I think that the extent to which corruption has been carried on during the past two years, and especially at Mulkapoor, will be better appreciated by the authorities of the Railway Department if they receive independent evidence from us of the state of Native feeling which has been gradually brought about on the matter.

2. I am aware also that the evil, against which I would desire to protect the traders, is mainly due to their own fault. They are willing to bribe highly for the advantage of gaming the market of a particular date, and the offer of sums varying from Rupees 50 to Rupees 100, for the despatch of each waggon, is a temptation which it is very difficult for a Station Master to resist. At the same time, this protection of the people against their own belief in the power of corrupt influence is only the same difficulty which has to be met in every Department presenting itself in this instance in a new shape.

3. The evil has reached such large dimensions now, that I would urge that the present system of precautions adopted by the Traffic Department cannot be considered adequate. That the traders, in whose interest I am addressing you, are beginning to feel this illicit competition as a heavy impost, is proved by the tone of their addresses to me on the subject, and by the fact, of which I am informed by some of them, that a meeting has been held by their corresponding houses in Bombay, which failed however in determining on any definite line of action. I must add that the

Proceedings of the Madras Government, Public Works Department.
12th March 1866.

charges of the Station Masters are now becoming a recognized item in their books, and are provided against in the amount of the Hoondies issued. But the general rumour, and the information supplied to me by Englishmen, also resident at Mulka-poor, are alone sufficient to leave no doubt on my mind that the practice has been carried on during this year to a really formidable extent.

4. As Magistrates, we have no power to move in the matter at all, for the employees on a Railway cannot be deemed public servants in the sense of that term in the Penal Code, and even if they were criminally liable, it may well be doubted whether the means necessary to procure a conviction of bribery would do more than lead to greater craft in the mode in which it was carried on.

5. The mere discharge or removal of the offending Station Master is a risk which the greatness of the prize renders comparatively inappreciable. Though I entertain hopes that the opening of new stations, and the now increasing number of trains, will tend to diminish the evil, yet I do not think that these measures will be sufficient without more stringent checks being placed on the employees themselves. I would urge the adoption of a system by which demands for conveyance could be registered on the date on which it is applied for, and a copy of such registry be furnished to the applicant, and in the copy it would be most important to include the name of the owner, and the amount of the consignment immediately preceding his own. I would urge the prohibition of the practice, which, as I am informed now obtains, by which portions of late consignments are allowed to be shipped off with others of earlier date, on the ground that the former would otherwise be conveyed in other ways. And I would especially urge the formal execution of security bonds, or, if these are not attainable, of personal recognizances by the Station Masters expressly providing against the acceptance of such gratifications and the rigid enforcement of all possible civil penalties in the event of the breach of any such engagement. But I feel that those in whose hands the practical working of the Railway lies, will be far more competent to devise sufficient remedies against the evil, when its magnitude has been once brought prominently before them, and this is the object of my present letter.

From the Officiating Under Secretary to the Government of India, Foreign Department, to the Secretary to the Government of Bombay, dated 7th November 1865, No. 2,146.

In forwarding copy of a letter from the Resident of Hyderabad to the address of this Government, No. 41, dated 11th October 1865, regarding the extent to which corruption has been carried on by Railway Station Masters in Berar, I am directed to state that, in the opinion of His Excellency in Council, such a state of affairs requires some real and immediate remedy, but as it is observed that the Resident has addressed you directly on the subject, His Excellency in Council will, for the present, merely request that the earnest attention of the Bombay Government may be turned to the point with the view of ascertaining the full extent of the evil and of devising an effectual check.

No. 2,147.

Endorsed by Foreign Department

Copy of the foregoing letter forwarded to the Resident at Hyderabad, with reference to his letter No. 41, dated the 11th October 1865.

From the Resident at Hyderabad, to the Secretary to the Government of India, Foreign Department, dated 28th November 1865, No. 47.

In continuation of former correspondence regarding the corruption practised at Railway Stations in the despatch of cotton, I have the honor to submit further correspondence on the subject, as per margin, and to state that, no doubt, the main origin of the evil is due to the Railway being unable to meet the requirements of trade, and until it is so, perhaps, the above evil cannot be altogether remedied; but the measure proposed

Proceedings of the Madras Government, Public Works Department.
12th March 1866.

ed by Mr. Cordery, Officiating Deputy Commissioner, Akolah District, will evidently be of great service, and I have therefore directed they should be carried out, with the exception of the fee proposed to be charged on bales of cotton stacked in Government enclosures, in regard to which I solicit His Excellency the Governor General's orders. It seems to me that such a fee might fairly be charged as a species of ground-rent, but one Anna a bale, as proposed by the Commissioner, is too much, and I think half an Anna a bale for every bale stacked would be sufficient to cover all expenses. We have no means of calculating the exact number of bales exported by rail; but they certainly do not amount to less than a lakh, on which quantity the above charge would yield a little over Rs 3,000, sufficient, I think, to defray the expenses of enclosing and paying for six Karkoons at the six Railway Stations in Berar where cotton may be expected to lie

From the Commissioner, Hyderabad Assigned Districts, to the First Assistant Resident at Hyderabad, dated 15th November 1865, No. 1,424-312.

1. I have the honor to forward correspondence* regarding better arrangements being made for the export of cotton at the different Railway Stations

2. I think a small charge might, with the greatest fairness, be made for bales stacked on the Government ground before being dispatched by rail, and I solicit the Resident's sanction to an Anna a bale being charged upon all cotton stacked in the reserved ground. The charge is merely a nominal one, but it would enable us to pay for the expenses incurred in putting up the railings, and in keeping up a small establishment for registering the quantity of cotton exported. It is needless to say that accurate statistical information regarding the amount of cotton produced in the different parts of Berar would be very valuable, and the small charge on the bales would enable us to obtain this information.

3. The Deputy Commissioner proposes a charge of half a pie a bale a month; a charge of this kind would involve long calculations, and would not furnish sufficient funds, while a charge of one Anna is merely a nominal one.

From the Officiating Deputy Commissioner, Akolah District, to the Commissioner, Hyderabad Assigned Districts, dated 10th November 1865, No. 985-320.

With reference to my letter No. 263 of the 25th September 1865, I have the honour to state that I have had the pleasure of meeting Captain Sherard Osborn and Captain Oldham, the Deputy Consulting Railway Engineer, and of consulting with them on the best mode of preventing the frauds at present practised in this District by the cotton dealers on the Railway Authorities, and the corruption of Station Masters in the matter of furnishing waggons to the dealers

2. The following is the course adopted by the Traffic Department for the distribution of its carriage.—On the 1st November, a list was drawn up purporting to be a list of men who had cotton lying ready for conveyance. To these men a certain number of waggons are allotted in successive trains ratably according to the number of bales which, as they state, are ready for despatch. The conveyance assigned to each is entered on the list which is affixed in a public place, is well known to the Assignee, and is, I believe, in practice accorded to him. As soon as the cotton included in this list has been conveyed away, a fresh list is drawn up on the same principle.

3. Whatever may be the greater abstract justice in the principle of rotation according to the date of arrival, I find that the principle of the arrangement now in force, viz, that of conveyance according to the quantity of the consignment that may be ready on the date when carriage is available at all, is so intimately connected with other points bearing both on the interest and on the convenience of the Company, that I am confident they will not depart from it.

4. But Captain Osborn is as solicitous as myself to stop the fraud which has undoubtedly crept in; and this, as I have ascertained, lies in the preparation of these lists rather than in any violation of the engagements entered in them after they have been prepared.

*Proceedings of the Madras Government, Public Works Department,
12th March 1866.*

5 The number of bales entered as having been on the spot ready for dispatch on the 1st November exceeds 85 000 ; it is a matter of fact that there was then not more than 40,000, if so many.

6 Whether the dealers and agents were acting in collusion with the Station Master, or whether they deceived him respecting the number of bales they really had, is a question into which we need not enter. It is certain that many, and especially those whose names are down for the larger quantities, had not really more than a fraction of that number, and have consequently been receiving waggons at a rate injurious to those who may have subsequently arrived, or who may have had the number which they entered as ready.

7. It is also certain that some of the agents have entered their names two or three times over for purely fictitious bales. They are then able to dispose of the carriage which has thus been allotted to them, at a very high profit to men who have themselves only just brought up their cotton.

8. I trust that this is a sufficiently clear account of the evil as it now exists. It is fortunately one that admits of a fairly efficacious remedy.

9. It is clear that, if we can prevent misrepresentation of the quantities on the ground at the dates on which the lists are prepared, and the introduction of purely fictitious entries, this door to fraud will be closed. The cotton has merely to be counted, and if this can be done in a public manner, fraud, in the face of so many jealousies, will become difficult, far more easily discoverable and susceptible of positive proof.

10 But this is what is hardly possible to do at all in the present chaotic condition of the bales as they are now piled on the ground adjoining the station, it is certainly more than the Station Master can now do; and it appears to me to be more than we have a right to demand of the Railway Authorities without some assistance from our own side.

11. I propose to-morrow with the Station Master to count the number of bales now on the ground, and Captain Osborn has ordered that a new list be drawn up according to the result of that counting.

12. As this cotton is removed, any that may subsequently arrive will be stacked on the ground for which it is taken. But that ground will be first marked out in squares or sections capable of holding each 250, 500, 750, or 1,000 bales according to the number of tiers in which they may be piled. These squares will be allotted to anybody who has cotton at hand to place on them, and a Register of his name and the quantity he has so placed will be kept up.

13 No one will be allowed to stack his cotton on the ground reserved by the Railway and by the Government, except on the sections, and in accordance with the tiers prescribed for the five different descriptions of bales.

14. It will then be possible, whenever a new list is prepared, to correct any false entry on the part of the Agent or dealer by the most summary inspection of the sections allotted to him.

15. After a section has been once filled, and the quantity on it been entered on the list, no addition will be permitted to it until it has all been removed. A material test will therefore be at hand in the event of any complaint being made against the Station Master for failure in supplying the carriage due; for the quantity that would have been conveyed away, had it been supplied, would be well known to the Station Inspector.

16 Captain Oldham has engaged to furnish me with the measurements necessary for mapping out the spaces, and Captain Osborn has engaged to supply the stakes necessary for the distinct division of the separate allotments. He has also engaged to contribute at least the half of any expense that may be incurred from the funds supplied by his terminal rate.

17 But I would propose to levy an infinitesimal rate of half Pie per month for each bojah that may be stacked on the reserved ground. Out of the fund so produced, the pay of the Karkoon necessary for the registration, and the other small expenses involved in the proposed arrangement, would be fully met.

*Proceedings of the Madras Government, Public Works Department.
12th March 1866.*

18. At the three stations in this District, the scheme cannot be thoroughly worked until the removal of the cotton now lying. But I was desired by Captain Osborn to add that, should it meet your approval, it would be a great satisfaction to him to find that the land at the station between Sheagaon and Budneira had been marked out in the way now proposed when the line was opened. It is believed that this will certainly take place on the 15th proximo.

From the Commissioner, Hyderabad Assigned Districts, to the Deputy Commissioner, Akolah District, dated 15th November 1856, No. 1,423.

1. I have the honor to acknowledge the receipt of your letter No. 985 of the 10th instant, proposing measures for putting a stop to the corruption that goes on at the Railway Stations.

2. The evil has been caused solely by the Railway being unable to carry the traffic of the country. If the cotton were, immediately on its arrival at the stations, sent to Bombay, there would be no object in merchants giving bribes; but when bales may be detained at the Railway Stations for months, and their owners subjected to immense loss in consequence, they will certainly offer such high bribes for waggons that Station Masters will not resist the temptation of making their fortunes in a few months.

3. So long as the accumulation of cotton continues, any assistance that we can give should be afforded for having the bales so arranged in the reserved land as to facilitate the traffic arrangements of the Railway Authorities.

4. The suggestion for having the reserved land stacked off into plots, holding a fixed number of bales, is, I think, a very good one, and the measure should be carried out at once. It is not likely that any merchant will have 1,000 bales on hand at one time, unless the accumulation is very great, and many merchants might wish to dispatch less than 250. Would plots holding 100 bales in each tier not be preferable? If large plots remain nearly empty, a great deal of room will be wasted. I beg to be favored with your opinion on this subject.

5 It is not in my power to order a charge, however small, to be made for bales of cotton stacked in the reserved Government ground, but I think such a charge is a very fair one, and I will refer the question to the Resident. On the completion of the plots, a Karkoon to register the bales can be entertained and paid from the Local Funds. It is of the greatest importance that we should obtain correct statistics regarding the quantity of cotton produced in Berar, and the Karkoon should keep a careful record of the marts from which the bales come, and also of the season in which the cotton was grown, as the exports that will go on till the monsoon will consist of old and new cotton. The kind of cotton, that is to say, whether Bunnee or Jerree, should also be recorded.

6. I beg that you will have the cotton plots railed in at Akolah, and the necessary instructions will be issued to the Deputy Commissioner, Oomrawuttee, regarding Moortizapoor and Budneira.

7. A copy of this letter has been sent to Captain Osborn.

From the Secretary to the Government of India, Foreign Department, to the Resident at Hyderabad, dated 21st December 1865, No. 2,412.

1. I am directed to acknowledge the receipt of your letter No. 47, dated 28th November, and in reply to inform you that the Governor General in Council is pleased to sanction the arrangements proposed by you to secure to all exporters fair and equal terms in respect of priority of transport for their cotton at the different Railway Stations.

2. I am, however, to add that it must be clearly understood that the persons who stack their bales of cotton within the Government enclosure, continue responsible for them, and must make their own arrangements for ensuring their safe custody.

Proceedings of the Madras Government, Public Works Department.
12th March 1866.

No. 260.

ORDER THEREON, 12th March 1866, No. 821.

RAILWAY, No. 32.

Communicated to the Consulting
Engineer for Railways for such observa-
tions as he may have to offer on the
subject.

(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government.

To the Consulting Engineer for Railways.

Exd. S. T. Augustin.

12,821

Communicated

to the Consulting Engineer
for Railways for such
observations as he may
have to offer on the
subject.

For St George
12th March 1866

To the Consulting Engineer
for Railways
13th March