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MADRAS RECORD OFFICE.

Government of Madras.

Public works DEPARTMENT.

G.O. No. 3779	Press
87-88	~~Mis.~~
Dated 3. 12	1868.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,
3rd December 1868.*

No. 87. Read the following letter from the Consulting Engineer for Railways, to the Secretary to Government, Public Works Department, dated Madras, 18th November 1868, No. 418 :—

1. I have the honor to submit, for instructions, a letter* from the Secretaries and Agents of the Indian Tramway

Company, regarding certain sums which they have been called upon by the Board of Directors to remit to London. The submission of this letter has been delayed pending receipt from the Agents of explanation on certain points, which has only this day reached me. The opinion of the Examiner of Railway Accounts, to whom

† No. 10, dated 30th October 1868.

the Agents' letter was referred, is contained in a letter† which I have also the honor to enclose.

2. It will be seen that Messrs. Arbuthnot & Co. request permission to remit to England the following sums :—

Expenses of Home Establishment for half-year	£.	s.	d.
ended 30th June 1868...	672	16	1
Cost of stores supplied by the Board	198	19	1
	RS.	A.	P
Refund from Government of duty charged on stores	2,066	14	4

3. In addition to this, Messrs. Arbuthnot and Co. ask for permission to make a monthly remittance of £125, being the cost of the London Establishment, and to include it in future in their monthly estimate of expenditure, drawing now the amount in arrears from the 1st July last. I also understand from the Agents, as mentioned in Captain Moberly's letter, that the Board wish remittances to be made to them to meet future expenditure on account of purchase of stores.

4. With regard to the proposed remittances to meet the cost of the Home Establishment and of stores shipped by the Board, I agree with the Examiner in the opinion that such a course is unnecessary and undesirable, and that, to meet the Home expenditure, funds should be obtained in England from the Secretary of State in the same manner as is now done by the Boards of the other guaranteed Railway Companies.

5. With regard to the sum of Rupees 2,066-14-4, which has been refunded by Government for duty, &c., on stores, and which the Agents propose to remit to England, there can be no doubt that it is properly a credit to capital, and I request the favor of special instructions as to the mode in which this and similar sums are to be dealt with. I agree with Captain Moberly in thinking that all recoveries to the credit of capital should be retained in this country, to meet any future expenditure properly debitable to capital.

6. I beg to draw the particular attention of Government to the apparently extravagant rate at which the Home expenditure of the Company has been estimated. The details are annexed to the Agents' letter, and it will be seen that the total cost comes to £1,500 per annum. As the paid up capital of the Company amounts to only £100,000, and the amount of interest lately guaranteed by the Secretary of State to £3,000 per annum, it is difficult to imagine what necessity there can be for such an expensive establishment in England. Its cost appears greater when it

is compared with the amount of remuneration paid to the Secretaries and Agents in Madras, on whom much more work must necessarily fall, and who I believe receive only £240 per annum.

7. The following figures show the expenses of the Home Establishments upon the Railways in this Presidency, and the proportion which they bear to the working expenses and to the gross revenue of each line:—

	Expenditure of Holding Estab- lishment.	Percentage of	
		Working expenses.	Gross revenue.
Malras Railway, South-West Line	18,735 8 9	0.93	0.42
Do. North-West Line	2,528 6 6	0.93	0.21
Great Southern of India Railway	10,420 13 3	3.71	1.74
Indian Tramway Company's Line	10,728 9 8	27.03	21.02

These figures are taken from the Revenue Accounts of the several Companies for the half-year ended 30th June 1868. It will be seen that the cost of the London management of a little narrow gauge line, 19½ miles in length, exceeds that of the Great Southern of Ireland Railway, 108 miles in length, while it comes to more than half the cost incurred in the case of the Midland Railway, the two lines of which extend over 615 miles.

8. I think that it would be well to draw the attention of the Secretary of State to these figures, with a view to a careful consideration in the House of the expenditure of the Tramway Company. I may mention that at this time was only from the Company's half-yearly Revenue Accounts, until the Government guarantee was secured; and that if maintained at its present rate of £125 per annum, it is highly probable that, during the current and next half-years, the gross total earnings will not cover the working expenses.

From the Secretaries and Agents of the Inter-Tenney Company, Inc., to the American
 Consulting Engineer for Railways, dated March 1912, New York, N.Y. 1912

1. We have the

1. We have the honor to state that, in closing the Reserve Account of this Corporation for the half-year ending 30th June 1868, under instructions from the Trustway Board, we have debited the same with Rupees 6,728-6-8 for Home expenses for that half-year.

The Board made shipments of Railway stores, coal, &c. for the half-year ending 30th June 1868, to the value of Rs. 1,80,000.

2. The Board have written to us to make them a reimbursement of this amount, as well as sum of Rupees 2,066-11-4, refunded by Government of Madras. And, on this, and we have informed if we are at liberty to comply with their request.

3. The Board have also desired

last of 1925 O. O.

3. The Board have also desired us to make them regular payments from the 1st of July last, of £125-0-0 per month on account of (1) the expenditure in London, and (2) the expenditure in authority to include this sum in our monthly estimate of expenditure, and also to permit us to draw from Government the allowance due in arrears from July last. We attach a copy of the estimate for Home expenditure for each of the months from July last.

Schedule of estimated Home Expenses requiring a remittance of £125 monthly to pay them.

						£
Rent and attendance	...	...	...	...	...	116
Secretary	...	...	...	...	...	400
Accountant	...	...	...	...	...	200
Clerk	...	...	...	...	...	50
Directors	...	...	...	...	...	600
Auditors	...	...	...	...	...	21
Printing, Stationery, Postage, and Miscellaneous				...	...	113
					12)	1,500

= Rs. 1,250, or £125 per month.

By Order of the Board,

(Signed) M. R. SCOTT,
Secretary.

LONDON,
3rd July 1868.

(True Copy.)

(Signed) ARBUTHNOT & Co.,
Secretaries and Agents.

From the Examiner of Railway Accounts, to the Consulting Engineer for Railways, dated Madras,
30th October 1868, No. 10.

* Herewith returned with enclosures.

1. I have the honor to acknowledge receipt of letter No. 192,* dated 27th October 1868,

from the Agents, Tramway Company, and in reply to state that, in my opinion, remittances should not be made Home to the Board of Directors, but I should think they might obtain whatever funds are necessary in England, in the same way as the Boards of the Madras Railway and Great Southern of India Railway do.

2. While on this subject, I beg to inform you that a few days ago I was at the Office of Messrs. Arbuthnot and Co., and was then led to understand that the Board of Directors also wish remittances made to them to meet any expenditure on account of purchase of stores. This is a point which should be settled, as the present average net revenue is quite inadequate to bear any such charge.

3. Another point which presented itself at the same time was, what was the correct way of dealing with money received by the Company for sale of stores ? These sums are mostly to be credited to capital. The last amount received on this account, some £1,200, was at once remitted to the Board of Directors. It appears to me that these sums should be retained in this country, to be applied to any future expenditure properly debitable to capital.

The sum of Rupees 2,066-14-4, referred to in Messrs. Arbuthnot's letter, comes under this head.

4. I believe that some more vehicles are shortly to be built for the Company, and that the Board have requested Messrs. Arbuthnot and Co. to reserve the amount required for this expenditure out of the sum belonging to the Company held by them.

This sum is an accumulation of revenue. Have Government any lien upon it, or can it be dealt with in any way the Board may direct?

No. 88. ORDER THEREON, 3rd December 1868, No. 3,779.

RAILWAY, No. 6.

1. The Government agree with the Consulting Engineer and the Examiner of Railway Accounts in considering that,

as the Indian Tramway Company is now in the same position as other guaranteed Railway Companies, the Board of Directors may obtain from the Secretary of State

Proceedings of the Madras Government, Public Works Department.
3rd December 1868.

what money may be required for meeting Home expenses, and that it is not necessary for the Agents of the Company in this country to remit funds for the purpose.

2. With reference to the last paragraph of the letter from the Examiner of Railway Accounts, His Excellency the Governor in Council is of opinion that the Government have a lien on only such portion of the accumulation of revenue allotted to by Captain Moberly as may have accrued since the Tramway Company obtained a guarantee.

3. The great cost of the Company's Home management will be brought to the notice of the Secretary of State.

(True Extract.)

Colonel R. E.
Secretary to Government.

To the Consulting Engineer for Railways.

Erst. S. T. Augustin.

GOVT. OF INDIA

PUBLIC WORKS

THE GOVERNMENT OF INDIA
PUBLIC WORKS

DECLINED
NO. 107-10

Indian Tramway Company Ltd
Mumbai 27th October 1868

Indian Tramway Company Ltd
62 Moorgate Street London. E.C.
3rd July 1868

Schedule of Estimated Home Expenses
Requiring a remittance of £125 monthly to pay them

Rent and Attendance	£ 116 . .
Secretary	400 . .
Accountant	200 . .
Clerk	50 . .
Directors	600 . .
Auditors	21 . .
Printing Stationery, Postages & Miscellaneous	113 . .
	£ 1500 . .
	£ 1250 . . or £ 125 . .
	per month

By Order of the Board.

127/ M. R. Scott
Secretary.

True Copy

Attest

Secretaries & Agents

and witnesses are in receipt of from every
last. We annex for your information copy of
the estimate for Home Expenditure forwarded
to us from London

115

Indian Steamway Company Ltd
Mars 27th October 1868

N^o 142

Prof. H. P. D. Spendergast M.E.
As Asst^l Engineer for Railways

Sir

1 We have the honor to state that in closing the Revenue Account of this company for the half year ending 30th June 1868, under instructions from the Steamway Board, we debited the same with Rs 6728. . 8 for Home Expenses for that half year £ 642. 16. 1.

The Board made shipments of Railway stores costing as per Invoice, Rs. 17. 1.
£ 871. 15. 2.

2. The Board have written to us, to make them a remittance of this amount, as well as of a sum of Rs 2066. 14. 4, refunded by Government for Duty 5% on stores, and we wish to be informed, if we are at liberty to comply with their request.

3

The Board have also desired us to make them remittances, commencing from the 1st July last, of £ 125. . . per month on account of Office expenditure in London, and we now request your Authority to include this sum in our monthly estimate of expenditure and also your permission to draw from Government the allowance due in arrears ~~from~~ from July last. We annex for your information copy of the estimate for Home expenditure forwarded to us from London.

W.D

34

From

The Secretary & Agents
S. S. Company

To

The Genl. Commr.
for Railways

Dated 27th 3rd Oct/88
Received 28th

No 192
17/5/88
Regarding the authority
of including a certain
sum in their monthly
estimate for expenditure
and also for repairs to be
drawn from General fund
the allowance due in amount
from July last, and
annexing a copy of the
(estimate of expenditure)

* herewith
returned with
enclosures

No 10

13

From The Examiners

Railway Accounts

To The Consulting Engineer

for Railways

Madras 30th October 1888

Sir,

I have the honor to acknowledge receipt of letter No 192 dated 27th Oct^r 1888 from the Agents Railway Comp^y, and in reply to state that, in my opinion, remittances should not be made home to the Board of Directors, but I should think they might obtain whatever funds are necessary in England, in the same way as the Boards of the Madras Railway and Great Southern of India Railway do.

2. While on this subject, I beg to inform you that a few days ago I was at the office of Messrs. Arbuthnot and Co., and was ^{then} led to understand that the Board of Directors also wish remittances made to them to meet any expenditure on account of purchase of stores.

This is a point which should be settled, as the present average net revenue is quite inadequate to bear any such charge.

3. Another point which presented itself at the same time was, what

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CONSULTING ENGINEER'S OFFICE,

Railway Department.

No. 418-

From Major J. H. McPherson Stewart R.E.
Consulting Engineer for Railways,

To

Colonel C. A. Ott R.E.

Secretary to Government,
Public Works Department,
Fort Saint George

SIR,

I have the honour to submit for instructions a letter from the Secretaries and Agents of the Indian Railway Company, regarding certain sums which they have been called upon by the Board of Directors to remit to London. The submission of this letter has been delayed pending receipt from the Agents of explanation on certain points, which has only this day reached me. The opinion of the Examiner of Railway Accounts, to whom the Agents' letter was referred, is contained in a letter which I have also the honour to enclose.

2. It will be seen that Mr. J. H. McPherson Stewart R.E. request permission to remit

(of the) as No 111-15-382
of 22. Dec 1868. 1215-1868

1868. 1215-1868

No 172727
October 1868.

No 10 2720
October 1868.

to England the following sums:—

Expenses of Home Establishment for	£.	s.	d.
half-year ended 30 th June 1868	672	16	1
Cost of stones supplied by the Board	198	19	1

Refunds from Government of duty	£.	s.	d.
charged on stones	2066	14	4

3. In addition to this Mr. Ashurst & Co. ask for permission to make a monthly remittance of £125, being the cost of the London Establishment, and to include it in future in their monthly estimate of expenditure, drawing now the amount in arrears from the 1st July last. It is also understood from the Agents, as mentioned in Captain Molesley's letter, that the Board wish remittances to be made to them to meet future expenditure on account of purchases of stones.

4. With regard to the proposed remittances to meet the cost of the Home Establishment and of stones shipped by the Board, I agree with the Examiners in the opinion that such a course is unnecessary and undesirable, and that, to meet the Home expenditure, funds should be obtained in England from the Secretary of State, in the same manner as is now done by the Boards of the other Guaranteed Railway Companies.

5. With regard to the sum of Rupees 2066-14-4, which has been refunded by Government for duty $\frac{1}{2}\%$ on stones, and which the Agents propose to remit to England, there can be no doubt that it is properly a credit to Capital, and I request the favour of special instructions as to the mode in which this and similar sums are to be dealt with. I agree with Captain Molesley in thinking that all recoveries to the credit of Capital should be retained in this country, to meet any future expenditure properly debitable to Capital.

6. I beg to draw the particular attention of Government to the apparently extravagant rate at which the Home Expenditure of the Company has been estimated. The details are annexed to the Agents' letter, and it will be seen that the total cost comes to £1500 per annum. As the paid up Capital of the Company amounts to only £100,000, and the amount of interest lately guaranteed by the Secretary of State to £3000 per annum, it is difficult to imagine what necessity there can be for such an expensive Establishment in England. Its cost appears greater when it is compared with the amount of remuneration paid to the Secretaries and Agents in Madras, on whom much

much more work must necessarily fall, and who I believe receive only £240 per annum.

7. The following figures show the expenses of the Home Establishments upon the Railways in this Presidency, and the proportion which they bear to the working expenses and to the gross revenue of each line:—

	Expenses of Home Establishments =		Percentage of	
	Working Expenses	Gross Revenue		
Madras Railway—South-West Line—	Rs 9735 8 7	1.98	1.42	
Do ——— North-West Line—	2328 6 6	0.92	0.29	
Great Southern of India Railway—	6499 13 3	3.71	1.74	
Indian Tramway Company's Line—	6728 8 8	27.09	24.92	

These figures are taken from the Revenue Accounts of the several Companies for the half-year ended 30th June 1868. It will be seen that the cost of the London management of a little narrow gauge line, 19 miles in length, exceeds that of the Great Southern of India Railway, 168 miles in length, while it comes to more than half the cost incurred in the case of the Madras Railway, the 2 lines of which

which extend over 645 miles.

8. I think that it would be well to draw the attention of the Secretary of State to these figures, with a view to a considerable reduction in the Home Expenditure of the Tramway Company. I may mention that this item was omitted from the Company's half-yearly Revenue Accounts until the Government Guarantee was secured; and that if maintained at its present rate of £125 per mensem, it is highly probable that during the current and succeeding half-years the gross traffic earnings will not cover the working expenses.

Madras
18th November
1868

I have the honour to be,
Sir,

Your most obedient servant

Wm. R. E.

Consulting Engineer for
Railways.

From The Consulting Engineer
for Railways } M. E. No. 1418 dated 18th Novr/62/

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W
A

Copy in Atlantic Inst.
9722. Dec 23. 15 of 1868

1007 1468427. A-2
No of bond for the resident
RAILWAY DEPARTMENT

The Consulting Engineer for Railways

**The Secretary to Government,
Public Works Department,
Fort Saint George**

Total 15⁰⁰
 Received 12⁰⁰ } December 1868

No. 418.

Stable: 24
No. 3799-62000-1000
submittals u. 1000

from the distances and
objects of the Indian towns;
as my daily paper, but contains
news which this time were
called upon by the Board
of Directors to send to
you also -

c. 230 Brown / 6872-2415

that it is not necessary
for the Agents of the
Company in this
Country to remit funds
for the purpose.

With reference to the
last para of the letter
from the Examiner of
Railway Accounts, His
Excellency the Governor
in Council is of opinion
that the Government
have a lien on only
such portion of the
accumulation of revenue
alluded to by Captain
Moberly as may have
accrued since the
Railway Company
obtained

obtained a guarantee.

The great cost of
the Company's Home
management will be
brought to the notice
of the Secretary of State.

13 The [unclear] for
Railways Co.

Recd 4/12/18

[Signature]

2. 12. 18. 1887. 2. 14. 18.

of [unclear] & [unclear] to [unclear]

c. 19th Nov 1868

London

c. 22nd Nov 1868

Copy in a Letter to Eng Land
of 22^d December 1868

No 4575

Court. of 1868 Madras.

PUBLIC WORKS.

To The Consulting Engineer
for the Staff

Dated

At

Recd.

G. O. 3^d Dec 1868. No 3999

Nos. 87-88

Home Expenses of the Indian
Surveyors Co. Papering orders
in the letter from the Comd
Camp regarding the Home Ex-
penses of the Indian Surveyors
Company.