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MADRAS RECORD OFFICE.

Government of Madras.

Public (Works) DEPARTMENT.

G.O. No.	2015	Press / Mis.
415-C		
Dated	24 10	18 .

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department, 26th October 1871.

No. 415. Read the following letter from the Deputy-Secretary to the Government of India, Public Works Department, (Railway,) to the Secretary to the Government of Madras, Public Works Department, (Railway,) dated Simla, 22nd September 1871, No. 1,783-R:—

I AM directed to forward herewith copy of correspondence,* received from the Director-General of Post Offices, on the subject of the best method of arranging for the payment to the M[illegible] Railway Company for the conveyance of non-service banghy parcels.

* No. 2,560 of 12th September 1871, and enclosures.

2. The Postal Department has apparently failed to come to terms with the Company for payment, in a lump sum, for the carriage of these parcels, owing to payment being demanded at the rate of 4 Pies per maund per mile, notwithstanding that the Company carries luggage for the public at 2 Pies per maund per mile. The Director-General of Post Offices has objected to a lump sum payment being estimated on such a basis, and, failing any agreement, has directed the Postmaster-General of Madras to pay for the parcels in question at the rate of 2 Pies per maund per mile, the present charge for luggage.

3. The rate of 4 Pies per maund per mile for non-service banghy parcels was allowed in Public Works Department Circular No. 34-R. of 9th November 1869, whenever, for the "special convenience of the Post Office, they are made over to the charge of the railway author[illegible] and conveyed at their risk. In the present case, these parcels are conveyed in the charge of Postal officials, and so long as this is done the Government of India are clearly of opinion that the rate paid should not be in excess of the ruling rate for the time being for passengers' luggage. In this view, the action taken by the Director-General of Post Offices seems quite correct, and as the principle of striking an average for the determination of a suitable payment for this service will manifestly be convenient to both parties, the Government of India will be glad if the Government of Madras will endeavour to effect a settlement of the question at issue on this basis.

From F. R. HOGG, Esq., Officiating Director-General of the Post Office of India, to the Secretary to the Government of India, Public Works Department, dated Simla, 12th September 1871, No. 2,560.

SINCE the month of February 1870 this office has been in correspondence with the Postmaster-General of Madras on the question of the best system of arranging for payments to railways on account of the conveyance of non-service banghy parcels.

2. In August 1870 this office was furnished with a statement, prepared with considerable care under the orders of the Postmaster-General of Madras, which showed that in the month of April 1870 the gross weight of chargeable banghy parcels amounted to maunds 36-0½ for which payment, at the rate of 4 Pies per maund per mile, or a gross payment of Rupees (226-1-8) two hundred and twenty-six Anna one and Pies eight was made by the Post Office.

3. The Postmaster-General was then desired "to negotiate with the Railway Companies "for a periodical composition payment based on the average payments of the past." He was requested to make allowance for the reduced rate of charge, and reminded that the Government† adopted the 4-Pie rate as the then existing rate for passengers' extra luggage, and sanctioned its continuance only in respect of such

† *Vide* Public Works Department Circular dated 9th November 1869, No. 44.

banghy mails as might, for the special convenience of the Post Office, be sent in charge of railway servants instead of being placed in Post Office carriage. The Postmaster-General was warned "that the composition payment will be liable to proportionate increase on account of future "extension of the railway mileage open for traffic." It was pointed out further that the prospective reduction of the Post Office parcels traffic, which naturally would ensue on the junction being effected between the Bombay and Madras railway systems, might be waived so as to effect an amicable arrangement; that the composition payment might be based upon past statistics, and might be yearly, quarterly, or half yearly, according to the railway convenience; and, finally, the Postmaster-General was instructed "to make these arrangements after personal conference "with the railway authorities and the Consulting Engineer to Government, laying before them all "information regarding past statistics or payments which may be necessary;" and a hope was expressed that by a full interchange of explanations in the matter the arrangements may be concluded speedily and without any friction."

4. Adverting to the above the Postmaster-General, in January last, inquired whether he was authorized to reduce the rate of payment to Railway Companies in Madras for the carriage of non-service banghy parcels from 4 Pies per maund per mile to 2 Pies per maund per mile, "the present "rate for the carriage of passenger luggage". He stated that the Consulting Engineer had informed him of the readiness of the Company to accept a composition payment, the sum of Rupees 300 having been suggested, "subject to proportionate increase on account of future exten-"sion of the railway." The Postmaster-General naturally hesitated to compound at Rupees 300 per mensem for a service which had been hitherto performed at about Rupees 250 per mensem, this payment being based on a rate double that fixed by the Government of India.

5. Colonel Pears was informed that this office was quite ready to get specific power from Government "to base future payments to the railway on account of non-service banghy parcels "upon the reduced passenger-luggage rate now in force;" but that the Director-General of the Post Office was unwilling "to ask for a summary order without showing that every effort had been "made to settle the matter by direct communication" between the Postmaster-General, the Railway authorities, and the Consulting Engineer. The Postmaster-General was then strongly urged to arrange for a personal conference, and by an interchange of explanations to come to some reasonable settlement. On receipt of the Government letter No. 567-R., dated 29th March 1871, a copy was sent to the Postmaster-General, Madras, with an intimation that this office was prepared to authorize the reduction of the rate of present payments if the Railway Company declined to come to reasonable terms; but Mr. Monteath added, "I trust that this may not be necessary, and "that the matter may be found capable of easy settlement under mutual explanation."

6. On the 3rd April a meeting occurred between the Consulting Engineer, the Traffic Manager, and the Postmaster-General, which was followed by a letter No. 166, dated 2nd May, from the Traffic Manager to the Manager and Agent. This letter (copy enclosed) the Consulting Engineer forwarded to the Postmaster-General, with the remark that "the Agent and Manager "trusts that it will be admitted that the sum named (Rupees 300) is not only equitable but very moderate."

7. This letter from the Traffic Manager calls for some observations. In the first two paragraphs it is argued that because the payments made by the Post Office to the railway rose from Rupees 224 per mensem in 1869 to Rupees 251 per mensem in the year 1870, being an increase of 24 per cent., while the average railway mileage was only increased by Rupees 3·2 per cent., therefore the railway extension in 1871, resulting in an enhanced mileage of nearly 16 per cent., will raise the Post Office payments to more than Rupees 500 per mensem. This argument is fallacious. The business of the Post Office in all its branches, including, of course, the banghy parcel business, has always been on the increase, and the petty extension of the Madras Railway in 1870* naturally did not materially affect the additional parcel traffic, which, from past experience, the Post Office was led to expect. But the railway extensions of 1871, consisting as they did of a junction of the

* A mileage increase of only 3·2 per cent.

railway system of Madras with the railway system of Bombay and Bengal, must interfere greatly with the Post Office business in its banghy parcel branch. So long as Madras was separated by a break in its railway system from other Presidencies, the Post Office was used by the public as a convenient agency for booking parcels; but when once continuous railway communication has been established, the higher postal charges will no longer be able to compete with the cheaper rates of the Railway Company. This view is borne out by the fact that, even with the imperfect* railway communication now existing between Madras and Bombay, the payments made by the Post Office to the Madras Railway Company for the conveyance of non-service banghy parcels have been reduced from Rupees 251 (the average monthly payments of the year 1870) to Rupees 236 (the average monthly payments of the first six months of the year 1871).

* The North-West Line of the Madras Railway between Ghooty and Raichore was extended in December last, and the G. I. P. Railway line was continued from Goolburgah to the Kistna in January last. This left a gap of twelve miles, which was subsequently provided for by temporary train arrangements. These arrangements have been suspended for the distance of four miles between Kistna and Chickusagur owing to floods and monsoon.

8. In paragraphs 5 and 6 the Traffic Manager endeavours to show that the rate of 4 Pies per maund per mile hitherto paid by the Post Office to the Railway Company for parcels weighed in bulk yields to the Company a smaller revenue than would be produced by the application of the average rate (2·8 Pies per maund per mile) charged for ordinary parcels. It is not worthwhile to test the accuracy of the figures given in support of this argument, for Mr. Church has apparently overlooked the fact that the Railway Company† are legally bound by the terms of their contract to carry banghy parcels free; that the Government waived the enforcement of this obligation, and decided that non-service parcels "should be "paid for at the rate of one-third of an Anna per maund taken on the closed boxes in which the "banghy parcels are despatched by the Post Office." It is important to remember that the rate of payment conceded by the Government was based on the then existing rate of charge for passengers' luggage, and that payment was only made in respect of despatches forwarded in charge and at the risk of the Railway Companies. These remarks, together with the construction given in the Government letter No. 567 R., dated 29th March, disposes of the question raised in Mr. Church's 7th paragraph.

† *Vide* paragraphs 2 and 3 of a memorandum dated 8th July 1871 by Mr. Monteath (printed copy enclosed).

9. This is not the proper place to discuss the point dwelled on in paragraph 8, and I would only state that this department is prepared to carry out the orders contained in paragraph 18 of the Government Resolution of the 9th November 1869.

10. Turning to the 10th paragraph I would remark that the Traffic Manager's reasoning is wholly unsound. The accommodation provided by the Madras Railway Company to the Post Office is not in excess of the minimum limit prescribed, viz., two ordinary 2nd-class compartments. The word "mails" includes the banghy mail, and the Company are most unquestionably bound to carry service banghies free of charge. The Traffic Manager has chosen to ignore the orders passed in paragraph 20 of the Government orders of the 9th November 1869, which suggested the total cessation of all charges for banghy parcels carried in the Post Office mail carriage under the custody of Post Office servants, leaving it optional with the Post Office to send such parcels as it pleased under the charge and at the risk of the Railway Company, and paying for such parcels at the 4-Pie rate.

11. In his last three paragraphs Mr. Church endeavours to prove that the junction of the Madras with the Bombay railway system will not decrease the Post Office parcel traffic. I have already (*vide* paragraph 7) in a measure anticipated this argument, and it seems almost superfluous again to deal with it, for in the 5th paragraph of his letter to the Postmaster-General of Madras, No. 3,121, dated 28th September 1870, Mr. Monteath stated that "the Post Office may fairly waive "any question of this prospective reduction, and consent to a composition payment based upon "past statistics."

12. I have given a history of the correspondence which has passed on this vexed question, and I have endeavoured to answer the grounds urged by the Madras Railway Company for differing with the view taken by the Post Office. No efforts have been spared to settle the matter without

a reference to Government ; these efforts have all proved unavailing, and I quite despair of any amicable arrangement so long as the Madras Railway Company maintain their present attitude. I have therefore ordered the Postmaster-General of Madras to base future payments to the Madras Railway on account of non-service banghy parcels upon the reduced passenger-luggage rate§ now in force, and I trust that the Government will approve of my action in this respect. It is probable that when the reduced rates have for some months been in operation the Company will be more inclined to come to reasonable terms in agreeing to a composite payment based upon past statistics.

* Two Pies per maund per mile

From H. E. CHURCH, Esq., Traffic Manager, to the Acting Agent and Manager, Madras Railway, dated Madras, 2nd May 1871, No. 166.

Non-service Banghy Parcels.

In my letter No. 548-19, dated 13th January 1871, I recommended that the Railway Company should accept a composition payment of Rupees 300 per mensem for the conveyance of non-service banghy parcels. In making this recommendation I was guided by a consideration of the actual payments made by the Post Office for this service during the years 1869 and 1870, and of the probable increase in the banghy parcel traffic consequent on the extension of our system.

2. During the year 1869 the average monthly payments amounted to Rupees 22, and the average mileage open for traffic was 689. During the year 1870 the average monthly payments amounted to Rupees 251, or an increase of 24 per cent., while the average railway mileage was 711, or an increase over 1869 of only 3·2 per cent. Looking at the extension of the line during 1871, which will bring the average mileage open for traffic up to 824, or an increase of nearly 16 per cent., it is fair to assume that the traffic in 1871 will increase relatively with the mileage in the same ratio as in former years ; and, if so, the payments for 1871 will average more than Rupees 500 per mensem ; but taking into consideration the probability of a transfer from the Banghy Post to the railway of some part of the parcels traffic, the sum named for a composition payment seems to me very moderate.

3. The Director-General, however, entertains a different opinion, and at a Meeting held at the Consulting Engineer's Office on the 3rd ultimo, I was informed by Colonel Pears, the Postmaster-General of Madras that Mr. Monteath (the Director-General) considers the estimate excessive for the following reasons :—

1*st*.—That it is based on a rate of 4 Pies per maund per mile instead of on the rate charged for passengers' luggage, namely, 2 Pies per maund per mile.

2*nd*.—That banghy parcels are conveyed in the mail compartment in the space in which the Company is required to provide free of charge for the mails.

3*rd*.—That no allowance appears to have been made in the estimate for the transfer of any part of the parcels traffic from the Post Office to the Railway Company that will probably follow the connection of the Madras and the Bombay railways.

4. Our discussion at this Meeting led to no satisfactory result, and I promised to address you on the subject ; but since the 3rd April I have received a copy of a letter to your address from Colonel Pears, containing copy of a communication to his address from the Officiating Deputy-Director-General of the Post Office of India, No. 32, dated Calcutta, 5th April 1871, in which the Railway Company is informed that if it "refuses to come to reasonable terms," that is, to accept an estimate based on a rate not exceeding the passengers' luggage rate, authority will be given to Colonel Pears "to reduce the rate of present payments." The terms of this letter would almost stop further discussion upon the subject, but that the views expressed are probably those only of the Director-General and not of the Government of India. I propose, therefore to show how manifestly inequitable such a ruling, if adopted by the Government of India, would be to the Railway Company.

5. The rate now charged for non-service banghy parcels was fixed at 4 Pies per maund per mile by the Government of India in Extract Minutes of Consultation No. 200, dated 14th August 1855. Although apparently higher than the rates charged for ordinary parcels on this railway,

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which average 2·80 Pies per maund per mile, yet the revenue derived from non-service banghy parcels, even at 4 Pies per maund per mile, is much smaller than the Company would receive, if the whole of the parcels traffic passed directly between the Railway Company and the public without the intervention of the Post Office ; because in the case of the Post Office the parcels are what is termed packet parcels. The following illustration will better express my meaning.

For 5 maunds or 410 lbs. weight of banghy parcels, say, from Madras to Bangalore (217 miles) at the rate of 4 Pies per mile per maund of 82 lbs., the Post Office would pay to the Railway Company a sum of Rupees 22-9-8. But for 5 maunds weight of ordinary parcels, varying in size from 1 to 250 lbs., and separately charged for, the public would pay the Railway Company a sum of Rupees 36-13-0. The figures in the margin exhibit the percentage in number of ordinary parcels carried under the different denominations of weight, and the charges receivable under the ordinary Parcels Tariff for 5 maunds weight of parcels separately booked and paid for by the public.

Denomination of Weight.	Percentage of number.	Amount chargeable.
		Rs. A. P.
10 Hand under	29	17 4 0
11 do. to 20 hand... ...	15	6 12 0
21 do. to 40 ,, ...	21	6 0 0
41 do. to 80 ,, ...	21	4 8 0
81 do. to 100 ,, ...	4	0 8 0
101 do. to 125 ,, ...	4	0 8 0
126 do. to 150 ,, ...	2	0 6 0
151 do. to 200 ,, ...	2	0 7 0
201 do. to 250 ,, ...	2	0 8 0
Total...	...	36 13 0

6. It will be seen from the foregoing figures that the intervention of the Post Office in the conveyance of non-service banghy parcels deprives the Madras Railway Company of more than 60 per cent. of its legitimate revenue on all parcels sent through the Post Office. In other words, during the year 1870, the Post Office made an actual profit out of the Railway Company of Rupees 1,910 by compelling the Railway Company to convey "packed parcels" on Post Office account at the rate of 4 Pies per maund per mile, and it is scarcely necessary to observe that any reduction of this rate would place the Railway Company in a correspondingly worse position. At the same time it is only fair to the Post Office to say that the low rate has not been used by the Post Office to compete with the railway. The public have had no share in the concession, the profits of which have been credited to the revenues of the Post Office. The charge made to the public for parcels sent through the Government Banghy Post is 3 Annas per ten tolas, or fraction of ten tolas irrespective of distance. Forty tolas are equivalent to 1 lb., so that the charge for a lb. parcel would be 12 Annas and for a 5-lb. parcel Rupees 3-12-0 as against the railway rates for a parcel (weighing 10 lbs. and under) of 4 Annas for the shortest distances. If the rate now charged by the Railway Company for non-service banghy parcels was confined to parcels addressed to or from towns and places not reached by the railway, or where the Railway Company were unwilling to undertake the delivery of parcels in the same way as the Post Office, there might be some reason in the Post Office in asking for a preferential rate for traffic, which the Railway Company could not secure without the assistance of the Post Office ; but to demand this concession in the case of parcels addressed to towns and places served by the railway, the delivery of which the Railway Company is prepared to undertake, can scarcely be considered equitable.

7. Again, the argument used by the Director-General for a reduction of rate that, because the rate for passengers' luggage has been reduced, the rate for non-service banghy parcels should also be reduced, is quite as logical as insisting on a reduction in the price of potatoes, because the market price of eggs has fallen. There is no analogy whatever between the two cases. The rate for passengers' luggage was reduced to encourage traffic by making railway travelling cheaper. The reduction now asked for in the case of non-service banghy parcels would have no such effect, but would simply go to swell the revenues of the Post Office at the cost of the Railway Company's traffic receipts.

8. In connection with the subject of the delivery of parcels by the Railway Company "in the manner in which this could be delivered by the Post Office," paragraph 18 of the Resolution of

MEMORANDUM.

OFFICE OF THE DIRECTOR-GENERAL OF THE POST OFFICE OF INDIA.

Simla, 8th July 1870.

THE question of payment by the Post Office Department to Railway Companies on account of the conveyance of non-service banghy parcels was discussed in paragraph 16 to end of the Government of India Circular in the Public Works Department (Railway), No. 34, dated 9th November 1869.

2. It may be as well here to indicate briefly the history of the question relating to payment for non-service banghy parcels; and for this purpose I cannot do better than quote the following remarks from a letter (No. 5,111, dated 14th August 1863), addressed by the Government of India in the Home Department to the Punjab Government:—

"I am directed to forward the accompanying copy of a correspondence with the officer in "charge of the Office of Director-General of the Post Office of India, and, with reference to the "point reserved for subsequent orders at the close of the reply to Mr. Monteath, to state, for the "information of the Lieutenant-Governor, that the Railway Companies are legally bound by the "terms of their contracts to carry banghy parcels free, as forming a portion of the Government "mails; but that the Government in 1853 consented to waive the enforcement of this obligation "and to pay for non-service banghy parcels; and that, subsequently, much question having arisen "as to the rate of payment to be made for the conveyance of non-service parcels, it was decided, "in 1855, that they should be paid for at the rate of one-third of an Anna per maund taken on "the closed boxes in which the banghy parcels are despatched by the Post Office."

3. When fixing the above-mentioned rate of payment in 1855, the Government observed that "the rate, which is the same as that charged on passengers' luggage, entitles the Post Office to demand that the boxes of banghy parcels shall always be sent by a fast train," and it may be further explained that at that time the banghy mails were booked by rail in the same manner as private goods, the Company having not only the trouble of booking them, but the risk and responsibility connected with their safe transit and correct delivery at the station of destination. These* points are important as explaining the circumstances which the Government of India had in view when passing the orders of the 9th November last above referred to. And it was with reference to these points that the Government of India was, as stated in paragraph 20 of the orders of the 9th November last, "disposed to think that the best course to follow will be for the Railway Companies to give up all charges for such parcels, excepting so far as an allowance is made for their carriage under the arrangements described in paragraph 16." The arrangements referred to do not apply to the Punjab railway line; the Government idea in their case being that the payment for non-service banghy parcels (which are not booked through the railway, but conveyed in the mail van under charge of Post Office officials) should wholly cease.

* *Viz.*—(1.) The fact that the rate of payment conceded by Government was based on the then existing rate of charge for passengers' luggage, which has since been reduced from 4 Pies to one Pie per maund per mile.

(2.) The fact that payment was only made in respect of despatches forwarded in charge, and at the risk of the Railway Companies.

4. The course suggested by Government would certainly be the most simple one; but I shall be quite ready to propose, if I can do so on the basis of some simple plan, a continuance of the system of payment. In stating this, however, I may at once intimate my entire and absolute objection either (1) to continue a rate of payment which is now four times as great as the standard (passengers' luggage rate) by which it was originally fixed, or (2) to continue it on the basis of a detailed calculation which, however applicable to former circumstances when banghy parcels were booked, over the small sections of railway then opened, in charge and at the risk of railway Companies, is now productive of an amount of trouble, inconvenience, and delay to the transit of banghy mails on extended lines of railway which cannot be tolerated. I proceed therefore to

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26th October 1871.

indicate the terms on which I am prepared to continue the payment system, noting at the same time that, if not accepted by the Railway Company, I shall have no hesitation in recommending to Government that the cessation of all payments suggested by them should at once and in accordance with the terms of the contract be declared as the future rule.

5. I have had some difficulty in arriving at an estimate of the payment which this department can properly offer, for, while, on the Punjab railway and on the western section of the Delhi railway the intricate system of accounting in detail for the weight of non-service banghy parcels passing between all offices on the line has been maintained, no such system has ever been in force on the eastern section of the Delhi railway, owing to the fact that that section forms a practical continuation of a long line of railway stretching from Calcutta on the one hand and Bombay on the other hand. I have therefore taken the banghy weights as recorded for the Punjab railway, and the western section of the Delhi railway, and deduced therefrom a rate per mile per annum, applying that rate also to the eastern section of the Delhi railway. In doing this I have considered it fair to the railway to separate the section between Lahore and Mooltan from the rest of the line, because the weights carried on that section are comparatively small, and would, if amalgamated with the other results, produce too low an average. From statements furnished by the Postmaster-General, I find that the amounts paid on account of non-service banghy parcels for the six months commencing with September 1869 and ending with February 1870 were as follow:—

	Rs.	A.	P.
For the line Lahore to Mooltan	267	0	7
,, ,, Lahore to Jullundur	689	4	0

The distance between Lahore and Jullundur being eighty-four miles, and the distance between Lahore and Phillour added to that between Loodiana and Delhi being 340 miles, the following proportion is obtained:—

Miles.		Miles.		Rs. A. P.		Rs. A. P.
84	:	340	::	689 4 0	:	2,789 13 1¼

Taking therefore the Mooltan line at Rupees 267-0-7 for six months, and the line from Lahore to Delhi at Rupees 2,789-13-1¼, a total of Rupees 3,056-13-8¼ is obtained for six months, or for a whole year, Rupees 6,113-11-5½. This calculation is based on the previously existing rate of 4 Pies per maund per mile; and as the passenger-luggage rate now stands at 1 Pie per maund per mile, the above sum must be divided by four, the result being a total annual payment of Rupees 1,528-6-10, or, say, Rupees 1,530.

6. The above calculation is, I believe, somewhat in excess of what would result from a detailed calculation of actual weights (if that were possible) under present circumstances; for the public naturally use the railway instead of the Banghy Post when, as at present, the railway line is continuous. In other words, I have taken as a standard a time when the public were obliged to use the Banghy Post, (owing to a large gap in the railway) for the purpose of calculating future payments to the railway when, owing to the completion of through booking by rail, the public can avail themselves of the railway parcel arrangements. I observe that the Railway Company on a calculation made by themselves reckoned the amount payable for the conveyance of non-service banghy parcels on the whole line from Mooltan to Delhi to be Rupees 5,891-9-3, which amount they were willing to receive as an annual subsidy in lieu of detailed payments, the rate at which their calculation was made being four Pies per maund per mile. This amount is somewhat less than that arrived at by the calculation above shown, (namely, Rupees 6,113-11-5½). But I am quite prepared to abide by the results of my calculation, the mileage rate being, as already stated, reduced from 4 Pies to one Pie.

7. I have already stated the grounds on which the reduction of mileage rate has been made, and it is only necessary for me further to point out that the continuance of the 4-Pie rate, sanctioned in paragraph 20 of the Government orders of the 9th November last had express and sole reference to parcels which, for the convenience of the Post Office, might be made over to a Railway Company to be booked and conveyed by them under their own charge and at their own

risk. For parcels not so booked, but conveyed in charge of the Post Office servants, the Government proposed that no payment should be made; and in offering to pay at the rate of 1 Pie per maund per mile, I have simply followed the reduction long since made in the rate for passengers' luggage.

(Signed) A. M. MONTEATH,
Director-General of the Post Office of India.

No. 416. ORDER THEREON, 26th October 1871, No. 2,715.

RAILWAY, No. 66.

COMMUNICATED to the Consulting Engineer for Railways, who will, in communication with the authorities of the Madras Railway and the Postmaster-General, endeavour to arrive at a settlement of the question at issue by composition payment to the Company on the basis of the ruling rate for the time being of passengers' luggage.

2. The Government of India very properly observe that the arrangement of lump sum payments for services of this character will manifestly be convenient to both parties concerned, and the Governor in Council trusts that the officers of the Company will see the expediency and fairness of the proposals made by the Postal Department.

(True Extract.)

Captain, R.E.,
Offg. Joint Secretary to Government.

To the Consulting Engineer for Railways.
" Postmaster-General.
" Public Department.

Exd. F. R. Bantleman.

No. 2560. 3 11a

From

F. R. Hogg Esquire,
Offg Director General of the
Post Office of India.

To

The Secretary to the Government of India
Public Works Department,
Simla, 12th Septr 1871.

Sir,

Since the month of February 1870 this office has been in correspondence with the Post Master General of Madras on the question of the best system of arranging for payments to Railways on account of the conveyance of non-service Bangly Parcels -

2. In August 1870 this office was furnished with a statement prepared with considerable care under the orders of the Post Master General of Madras which shewed that in the month of April 1870, the gross weight of chargeable Bangly Parcels amounted to 36 maunds 03 seers for which payment at the rate of 4 pies per maund per mile or a gross payment of 226 rupees 1 anna 8 pies was made by the Post office

Rupees Two hundred and twenty six anna one and pies eight.

the

3. The Post-Master General was then desired "to negotiate with the Railway Companies "for a periodical composition payment based on the "average payments of the past." He was requested to make allowance for the reduced rate of charge and reminded that the Government adopted the 4 pie rate as the then existing rate for passengers' extra luggage and sanctioned its continuance only in respect of such Bangly mails as might for the special convenience of the Post-office be sent in charge of Railway servants instead of being placed in Post-office carriage. The Post Master General was warned "that "the composition payment will be liable to proportionate "increase on account of future extension of the Railway "mileage open for traffic." It was pointed out further that the prospective reduction of the Post Office parcels traffic which naturally would ensue on the junction being effected between the Bombay and Madras Railway systems might be waived so as to effect an amicable settlement, that the composition payment might be based upon past statistics and might be monthly, quarterly or half yearly according to the Railway convenience. And finally the Post-Master General was instructed, "to make these arrangements "after personal conference with the Railway authorities "and

x Vide P.W.D. Circular dated 9th Nov/69 No 44

"and the Consulting Engineer to Government "laying before them all information respecting past "statistics or payments which may be necessary", and a hope was expressed "that by a full interchange of explanations in the matter the arrangements may be concluded speedily and without any friction."—

4. In reply to the above the Post-Master Genl in January last, enquired whether he was authorized to reduce the rate of payment to Railway Companies in Madras for the carriage of non-service Bangly parcels from 4 pie per maund per mile to 2 pie per maund per mile, "the present rate for the "Carriage of passenger luggage". He stated that the Consulting Engineer had informed him of the readiness of the Company to accept a composition payment the sum of Rupees 300 having been suggested "subject to proportionate increase on account of future "extension of the Railway". The Post-Master General naturally hesitated to compound at 300/- Rupees per mensem for a service which had been hitherto performed at about 250/- Rupees per mensem, this payment being based on a rate double that fixed by the Government of India.

5. Colonel Pears was informed that this office was quite ready to get specific power from

from Government, "to base future payments to
"the Railway on account of non-service Bangby
"parcels upon the reduced Passenger-luggage rate now
"in force", but that the Director General of the Post
Office was unwilling "to ask for a summary order
"without shewing that every effort had been made
"to settle the matter by direct communication" be-
tween the Post Master General, the Railway au-
thorities and the Consulting Engineer. The Post
Master General was then strongly urged to arrange
for a personal conference and by an interchange
of explanations to come to some reasonable settle-
ment. On receipt of the Government letter №567/R
dated 29th March 1871 a copy was sent to the Post
Master General Madras with an intimation that
this office was prepared to authorise the reduction
of the rate of present payments if the Railway
Company declined to come to reasonable terms,
but Mr. Monteath added, "I trust that this
"may not be necessary and that the matter may be
"found capable of easy settlement under such an
"explanation".

6. On the 3d April a meeting occurred be-
tween the Consulting Engineer, the Traffic Manager
and the Post Master General, which was followed
by

by a letter №166 dated 2nd May from the
Traffic Manager to the Manager and Agent. This
letter (copy enclosed) the Consulting Engineer for-
warded to the Post Master General with the re-
mark that, the Agent and Manager trusts that
"it will be admitted that the sum named (Rs300)
"is not only equitable but very moderate".

7. This letter from the Traffic Manager
calls for some observations. In the first two paras
it is argued that because the payments made
by the Post Office to the Railway rose from 224/
per mensem in 1869 to 251 Rs per mensem in
the year 1870, being an increase of 24 per cent, while
the average Railway mileage was only increased
by 3.2 per cent, therefore the Railway extension in
1871 resulting in an enhanced mileage of nearly 16 per
cent will raise the Post Office payments to more than
500/ Rupees per mensem. This argument is fallacious.
The business of the Post Office in all its branches in-
cluding of course the Bangby parcel business has
always been on the increase and the petty extension
of the Madras Railway in 1870 naturally did not
materially affect the additional parcel traffic
which from past experience the Post Office was led
to expect. But the Railway extensions of 1871,

consisting

X a mileage increase of only 3.2 per cent.

consisting as they did of a junction of the Railway system of Madras with the Railway system of Bombay and Bengal, must interfere greatly with the Post office business in its Bunghy parcel branch. So long as Madras was separated by a break in its Railway system from other Presidencies the Post office was used by the public as a convenient agency for booking parcels, but when once continuous Railway communication has been established the higher postal charges will no longer be able to compete with the cheaper rates of the Railway Company. This view is borne out by the fact that even with the imperfect Railway communication now existing between Madras and Bombay the payments made by the Post office to the Madras Railway Company for the conveyance of non-service Bunghy parcels have been reduced from 251 Rupees (the average monthly payments of the year 1870) to 236 Rupees (the average monthly payments of the first 6 months of the year 1871).

* The North west line of the Madras Railway between Gooty & Raichore was concluded in December last and the G.I.P. Railway line was continued from Goolburgah to the Kistna in January last. This left a gap of 12 miles which was subsequently provided for by temporary train arrangements. These arrangements have been suspended for the distance of 4 miles between Kistna and Chickinsagur owing to floods and monsoon—

8. In paras: 5 and 6 the Traffic Manager endeavors to shew that the rate of 4 pies per maund per mile hitherto paid by the Post office to the Railway Company for parcels weighed in bulk yields

to the Company a smaller revenue than would be produced by the application of the average rate (2.8 pies per maund per mile) charged for ordinary parcels. It is not worthwhile to test the accuracy of the figures given in support of this argument for Mr. Church has apparently overlooked the fact that the Railway Company are legally bound by the terms of their contract to carry Bunghy parcels free that the Government waived the enforcement of this obligation and decided that non-service parcels "should be paid for at the rate of one third of an anna "per maund taken on the closed boxes in which the "bunghy parcels are despatched by the Post office" It is important to remember that the rate of pay-ment conceded by the Government was based on the then existing rate of charge for passengers' luggage and that payment was only made in respect of des-patches forwarded in charge and at the risk of the Railway Companies. These remarks together with the construction given in the Govt. letter No. 567 R dated 29th March disposes of the question raised in Mr. Church's 7th para:—

9. This is not the proper place to discuss the point dwelt on in para: 8, and I would only state that this Department is prepared to carry out the orders contained

* Vide paras 2 and 3 of a memo dated 8th July 1871 by Govr. Monteath (printed copy enclosed).

contained in para: 18 of the Government Resolution of the 9th November 1869.

10. Turning to the 10 para: I would remark that the Traffic Manager's reasoning is wholly unsound. The accommodation provided by the Madras Railway Company to the Post office is not in excess of the minimum limit prescribed viz: two ordinary 2nd Class compartments:— The word "mails" includes the Bunghy mail and the Company are most unquestionably bound to carry service Bunghies free of charge. The Traffic Manager has chosen to ignore the orders passed in para: 20 of the Government orders of the 9th November 1869 which suggested the total cessation of all charges for Bunghy parcels carried in the Post office mail carriage under the custody of Post office servants leaving it optional with the Post office to send such parcels as it pleased under the charge and at the risk of the Railway Company and paying for such parcels at the 4pie rate.

11. In his last three paras: Mr. Church endeavours to prove that the junction of the Madras with the Bombay Railway system will not decrease the Post office parcel traffic I have already (vide para: 7) in a measure anticipated

anticipated this argument and it seems almost superfluous again to deal with it for in the 5th para: of this letter to the Post Master General of Madras No 3121 dated 28th September 1870 Mr. Mordeath stated that "the Post office "may fairly advance any question of this prospective "reduction and consent to a composition payment based "upon past statistics".—

12 I have given a history of the correspondence which has passed on this vexed question, and I have endeavoured to answer the grounds urged by the Madras Railway Company for differing with the view taken by the Post office, no efforts have been spared to settle the matter without reference to Government, these efforts have all proved unavailing, and I quite despair of any amicable arrangement so long as the Madras Railway Company maintain their present attitude. I have therefore ordered the Post Master General of Madras to base future payments to the Madras Railway on account of mail service Bunghy parcels upon the reduced Passenger luggage rate now in force, and I trust that the Govt will approve of my action in this respect. It is probable that when the reduced rates have for some

and

direction

some months been in operation the Company will be more inclined to come to reasonable terms in agreeing to a composite payment based upon past statistics.

Marc Acheson Tolhurst
(Signed) H. R. Hogg
Offg Director Genl of the
Post Office of India.

x Mark

All communications should be addressed to the Secretary.

No. 1783 R.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

RAILWAY.

To

The Secretary to the Government
of Madras
Public Works Department (Railway)

Simla, 22nd September 1871

Sir,

I am directed to forward herewith a copy of correspondence received from the Director General of Post Offices on the subject of the best method of arranging for the payment to the Madras Railway Company for the conveyance of non service langhy parcels.—

x No. 2560 of 12th Septr/71 and enclosures.

2. The Postal Department has apparently failed to come to terms with the Company for payment in a lump sum for the carriage of these parcels, owing to payment being demanded at the rate of 4 pies per maund mile, notwithstanding that the Company carries luggage for the public at 2 pies per maund mile. The

Director

Director General of Post Offices has objected to a lump sum payment being estimated on such a basis, and failing any agreement has directed the Post Master General of Madras to pay for the parcels in question at the rate of 2 pies per maund mile, the present charge for luggage.—

3. The rate of 4 pies per maund mile for non-service banghy parcels was allowed in P.W.D. Circular No. 34 R of 9th November 1869, whenever for the "special convenience of the Post Office they are made over to the charge of the railway authorities," and conveyed at their risk.— In the present case these parcels are conveyed in the charge of postal officials, and so long as this is done the Government of India are clearly of opinion that the rate paid should not be in excess of the ruling rate for the time being for passengers' luggage. In this view the action taken by the Director General of Post Offices seems quite correct, and as the principle of striking an average for the determination of a suitable payment for this service will manifestly be convenient to

to both parties, the Government of India will be glad if the Government of Madras will endeavour to effect a settlement of the question at issue on this basis.—

I have the honor to be,

Sir,

Your most obd. Servt.,

Major, R.E.

Deputy Secretary

Gy.

Madras Railway.
Traffic Managers Office.
Madras 2nd May 1871.

No 166.

To,
The Acting Agents and Managers
Madras Railway.

Dear Sirs,

Non-service Bangy Parcels

In my letter No 578 dated 13th January 19
I recommended that the Railway Company should be allowed a compensation payment of Rs 300 per mensem for the conveyance of Non-service Bangy Parcels. I am writing this to communicate that I have made by the consideration of the actual payments made by the Post Office for this service during the years 1869 and 1870 and of the probable increase on the Bangy Parcel traffic consequent on the extension of our system.

2. During the year 1869 the average monthly amounted to Rs 22, and the average mileage payments amounted to Rs 251 or during the year 1870 the fees for traffic was 689 - average monthly payments amounted to Rs 251 or an increase of 124 per cent, while the average Railway mileage was 711 or an increase over 1869 of only 3·2 per cent - Looking at the extension of the line during 1871 which will bring the average mileage to 824 or an increase of nearly 16 per cent, it is fair to assume that the traffic in 1871 will increase relatively with the mileage

Pro 10th January 1872 No 206. 807

Public Works 1871 Department
Proc: of Govt for October
No 1706

From
The Government of India

Date d 22nd September
Received 3rd October } 1871

Encls: 3. No 1783 Rs.

Forwarding correspondence received from the Director General of Post Offices, regarding the best method for payment to the Madras Railway Company for the conveyance of non-service bangy parcels and requesting the Madras Government to settle the Question at issue.

No 2715. 26 Oct 71.

No 415

Copy of Letter No 1706

in the same ratio as in former years, and if so, the payments for 1871 will average more than 500 Rupees per mensem, but taking into consideration the probability of a transfer from the Baughy post to the Railway of some part of the parcels traffic the sum named for a composition payment seems to me very moderate.

3. The Director General however entertains a different opinion, and at a meeting held at the Consulting Engineer's Office on the 3rd ultimo, I was informed by Colonel Pears the Post Master Genl of Madras that Mr. Monteath (the Director General) considers the estimate excessive for the following reasons.

1st That it is based on a rate of 4 pies per maund per mile instead of on the rate charged for Passengers luggage viz. 2 pies per maund per mile.

2nd That Baughy parcels are conveyed in the mail compartment in the space in which the Company is required to provide free of charge for the mails.

3rd That no allowance appears to have been made in the estimate for the transfer of any part of the parcels traffic from the Post Office to the Railway Company that will probably follow the connection of the Madras and the Bombay Railways.

4. Our discussion at this meeting led to no satisfactory result, and I promised to address you on the subject; but since the 3rd April I have received a copy of a letter to your address from Colonel Pears containing copy of a communication to his address from the Offg Deputy Director General of the Post Office of India No. 32 dated Calcutta 5th April 1871, in which the Railway Company is informed that if it "refuses to come to reasonable terms" that is to accept an estimate based on a rate not exceeding the Passenger's Luggage rate, authority will be given to Colonel Pears "to reduce the rate of present payments". The terms of this letter would almost stop further discussion upon the subject but that the views expressed are probably those only of the Director General and not of the Govt. of India. I propose therefore to shew how manifestly inequitable such a ruling if adopted by the Govt. of India would be to the Railway Company.

5. The rate now charged for non-service Baughy parcels was fixed at 4 pies per maund per mile by the Govt. of India in extract minutes of consultation No. 200 dated 14th August 1855. Although apparently higher than the rates charged for Ordinary Parcels on this Railway which average 2·80 pies per maund per mile, yet the revenue derived from non-service Baughy parcels even at 4 pies per maund per mile is much smaller than the Company would receive if the whole of the parcels traffic passed directly between the Railway Company and the public without the intervention of the Post Office, because in the case of the Post Office the parcels are what is termed packet parcels. The following illustration will better express my meaning.

For 5 maunds or 410 lbs weight of Baughy parcels (say) from Madras to Bangalore (217 miles) at the rate of 4 pies per mile per maund of 82 lbs, the Post Office would pay to the Railway Company a sum of Rupees 22-9-8. But for 5 maunds weight of ordinary parcels varying in size from 1 to 250 lbs and separately charged for, the public

public would pay the Railway Company a sum of Rs. 36-13-4. The figures in the margin exhibit the per centage in number of ordinary parcels carried under the different denominations of weight and the charges receivable under the ordinary Parcels Tariff for 5 maunds weight of parcels separately booked and laid for by the public.

Denomination of weight.					per centage of number	Amount chargeable	
10 lbs and under					29	17	4
11	"	to	20	lbs	15	6	12
21	"	to	40	"	21	6	-
41	"	to	80	"	21	4	8
81	"	to	100	"	4	"	8
101	"	to	125	"	4	"	8
126	"	to	150	"	2	"	6
151	"	to	200	"	2	"	7
201	"	to	250	"	2	"	8
						36	13

6. It will be seen from the foregoing figures that the intervention of the Post Office in the conveyance of non-service Baughy parcels deprives the Madras Railway Company of more than 60 per cent of its legitimate revenue on all parcels sent through the Post Office. In other words during the year 1870, the Post Office made an actual profit out of the Railway Company of Rs. 1910 by compelling the Railway Company to convey "packed parcels" on Post Office account at the rate of 4 pies per maund per mile, and it is scarcely necessary to observe that any reduction of this rate would place the Railway Company in a correspondingly worse position. At the same time it is only fair to the Post Office to say that the low rate has not been used by the Post Office to compete with the Railway. The public have had no share in the concession the profits of which have been credited to the Revenues of the Post Office. The charge made to the public for parcels sent through the Govt. Baughy post is 3 annas per 10 tolas or fraction of 10 tolas irrespective of

of distance. Sixty (60) tolas are equivalent to 1 ctts, so that the charge for a ctt parcel would be 12 annas and for a 5 ctt parcel Rs. 3-12-0 as against the Railway rates for a parcel (weighing 10 lbs and under) of 4 annas for the shortest distance. If the rate now charged by the Railway Company for non-service Baughy parcels was confined to parcels addressed to or from towns and places not reached by the Railway (~~or where the Railway Company~~) or where the Railway Company were unwilling to undertake the delivery of parcels in the same way as the Post Office there might be some reason in the Post Office in asking for a preferential rate for traffic which the Railway Company could not secure without the assistance of the Post Office but to demand this concession in the case of parcels addressed to towns and places served by the Railway the delivery of which the Railway Company is prepared to undertake can scarcely be considered equitable.

7. Again the argument used by the Director General for a reduction of rate that because the rate for passengers luggage has been reduced the rate for non-service Baughy parcels should also be reduced is quite as logical as insisting on a reduction in the price of potatoes because the market price of eggs has fallen. There is no analogy whatever between the two cases. The rate for passengers luggage was reduced to encourage traffic by making Railway travelling cheaper. The reduction now asked for in the case of non-service Baughy parcels would have no such effect, but would simply go to swell

&c.

the Revenues of the Post Office at the cost of the Railway Company's Traffic Receipts.

8: In connection with the subject of the delivery of parcels by the Railway Company" in the manner in which this could be delivered by the Post Office" para: 18 of the Resolution of the Govt. of India No. 34 dated 9th November 1869 printed with order of Govt. No. 108 of the 10th January 1870 runs as follows.

"Consequently the Govt. considers that the prohibition to the Post Office against receiving parcels at the places where there are Railway stations should be henceforth limited by the condition that such parcels shall not be received for despatch to stations at which the Railway Company that receives them is able and undertakes to deliver them to their address in the manner in which they would be delivered by the Post Office. If this condition is not complied with the Post Office may undertake the receipt of the parcels." In Mr. Hogg's letter No. 182/243 dated 18th June 1870; the Railway Company offered to undertake the delivery of parcels within a radius of one mile from the Railway station without extra charge, and on payment of a small extra charge beyond that distance. The Post Master General of Madras however is of opinion that the condition demaded by the foregoing resolution of the Govt. of India "includes delivery free of charge." I have already shown that the Railway Company's Tariff for parcels is very much lower than the charges for baughy parcels sent through the Post Office and it will be seen from the following figures that even with the extra charge for delivery proposed by the Railway the charges by Railway will be much lower than those of the Post Office. The charge

× H. Rr. Genl to Comrs Endr No 2919 of 6th Oct 1870 447

charge for a 5th parcel from Madras to Bangalore by Railway is 12 annas add to this the proposed extra charge of 2 annas for delivering the parcel in the manner in which it would be delivered by the Post Office and we have a total charge of 14 annas as against a charge by Baughy Post of Rs 3.12 seeing then that the Railway Company is prepared to do for 14 annas what the Post Office demand 3.12 it is difficult to understand in what respect the Condition demanded by Govt of India is not complied with and why on the face of Railway Offer to deliver parcels in the manner in which they would be delivered by the Post Office the Post Office should continue to receive for despatch by Baughy Post parcels addressed to towns and places adjacent to the Railway though beyond a radius of one mile from the Railway station.

9— With reference to the Duncan Canal's 2nd objection to the estimate of Rs 2½ per annum for the haulage of one service, baughy parcels. I would draw particular attention to para 7 of the Resolution of the

the Government of India No 34 dated
9th November 1869, which provides as
follows ——

"The general principles being that the
Post Office shall be entitled to have free
of charge on all ordinary trains sufficient
space for receiving carrying and distributing
the Mails in transit for which a Compartment
not exceeding the size of two ordinary 2nd
class compartments, will commonly be suitable
using such accomodation, as it may think
proper, that all additional requisits of space
either generally or on any particular occasion
for the sole purpose of receiving carrying
and distributing the Mails in transit
should be provided free of charge by
the Railway Company either by an extension
of the ordinary accomodation in an
ordinary Carriage or by a special Carriage
of suitable dimensions ——

10 — The accomodation provided for the
Post Office on this Railway is considerably
in excess of the requirements of the Mails
except perhaps on Overland Mail days
so that the Company is put to unnecessary
expense in fulfilling their obligations
with the Government in the Carriage
of the Mails. This unnecessary expense

expense is due to the Post Office
requiring the Company to provide ac-
comodation not only for the Mails for
but also for Service Bangh Parels
for which the Railway Company has hitherto
received no remuneration whatever and
for which Service Bangh Parels for which
the Company has hitherto been paid at
the rate of 4 pies per maund per mile
seeing this that the Railway Company
is already burdened with the expense
of hauling day after day on the
Post Office account accomodation very
frequently in excess of the requirements of
the Mail Service it does appear
very unreasonable if not unfair to ask
the Railway Company to make any
further Concession even in the charge
for such Service Bangh Parels now
carried in Compartment allotted to Mails
but for which the Railway Company
is in no way bound to provide accomodation
except on payment ——

11 — It now comes to the 3rd point, viz
the probable transfer of some part of
the Bangh Parels, traffic from the
Post Office & the Railway on the Commission
of the Madras with the Bombay
Railway, we can only hope to arrive

arrive at any satisfactory conclusion on this point by considering the effect of former extensions of the Line on their particular traffic. The following figures represent the weight in tons and pounds of dead the payment made by the Post Office for non Conveyance Baughy Sacks carried

1st From and to Stations on the South West Line

2— From and to Stations on the South West Line and Stations on the North West Line South of Sooty

3rd From and to Sooty (the North West Line terminus) and all Stations for the years 1869-70 The whole of the South West Line being open throughout during both periods, while the N.W. Line was open to Ladyfarm for 7 months and to Sooty (30 miles further) for 8 months of 1869

From and to	1869					1870				
	Tons	Cts	Amount			Tons	Cts	Amount		
Stations on S.W. Line	111,428	5	1669	11	8	1085,815	27/46	1639	16	3
Dist. on S. and Stations on N.W. Line South of Sooty	602103	15052	658	2	3	255754	1393	219	3	3
	763 69	1909	106	10		629586	1539	1152	11	1
Total	1792 57	44818	2434	7	8	1971145	4977	3011	4	7
Average per Mileage	149896	3734	202	6	11	1642 62	4406	250	15	

R It will be admitted I presume that any further extension of the North West Line would likely to effect the non Service Baughy Sacks traffic from and to Stations on the South West Line and Stations on the North West Line south of Sooty and that the traffic for 1870 (£1639 + 219 - 1858) may be taken as a fair average of future years. So that we have only to consider the effect of the extension of the Line from Sandfurley to Sooty 1869 and the probable effect of the extension to Bellary and Raichore. ——

13 The effect of opening 30 additional miles on the North West Line was to increase the Baughy Sacks traffic from 1696 to 2222 lbs or 30 per cent and the receipt from £764 to £1371 or 79 per cent. On this basis we may reasonably assume that the probable effect of the extension of the Line from Sooty to Bellary and Raichore a distance of 125 miles will be at least the same, and if so the increase would Amount to £910 or 79 per Cent on £1152 the present receipts for Baughy Sacks on and out of Sooty

— The probable Annual Receipts for both Lines would then stand as follows

Traffic for 1870 ——	£3011. 4. 7.
Add ——	910 " "
Total per Annum £	3921. 4. 7

of an an average of £336. 12. 4 per
annum so that in naming 300£ as
a composite payment my only doubt is
whether I have done the Company justice
but I am more than ever convinced
that the Company should not accept
a smaller sum for this service.

Yours faithfully
Jno. W. E. Church
Basuto Manager

P. W. 470/71.

No. 2745 P.W.D.

Proceedings of the Madras Govt.

Read the following

From

The Govt. of India (R. E. No. 1783 P. 22 Sept. 71)

Communicated to the Govt. Engineer for Railways, who will, in communication with the authorities of the Madras Railway and the Post Master General endeavour to arrive at a settlement of the question at issue, by composition payment to the Company on the basis of the ruling rate for the time being of passengers luggage.

The Govt. of India very properly observe

that the arrangement of lump sum payments for services of this character will manifestly be convenient to both parties concerned and ~~His Excellency~~ the Governor in Council trusts that the officers of the Company will see the expediency and fairness of the proposals made by the Postal Department.

I.T.R.

11 Oct.

To The Comptroller
for Railways
" Postmaster General
" Public Dept.

Dept. 27 Oct.

6 Oct. 7 Oct. 11 Oct. 16 Oct.

No. 4706.

Govt. of {1871} Madras.

PUBLIC WORKS.

To Chief Engineering Engr for Railways

Date

Recd. Encl. 3

G. O. 26 Aug 71. No. 2715.

Nos. 415 & 416

Postal Service (Railway

Letter from the Govt. of India forwarding correspondence noted from the Govt. of Post-Offices regarding the best medium for payment to the Madras Railway Company for the conveyance & mail service being by parcels and requesting the settlement of the questions above communicated to the Consulting Engr with instructions —