

(1) Number of pages _____

(2) Date of repair _____

(3) Initials of the Referencer _____

MADRAS RECORD OFFICE.**Government of Madras.***Public works* **DEPARTMENT.**

G.O. No.	1321-22	Press
426, 427, 428		Mis.
Dated	14-5-	1872

Not to be folded or roughly handled

No. 426. Read the following letter from the Consulting Engineer for Railways, to the Officiating Secretary to Government, Public Works Department, dated Madras, 1st May 1872, No. 214:—

I HAVE the honour to solicit the serious consideration of Government to the unsatisfactory position occupied by the Carnatic Railway Company. Its history is well known to the Government. Briefly stated, it is as follows:—

2. The Indian Tramway Company (Limited) was formed in the year 1862 “for the purpose, amongst other things, of the introduction of a system of tramways in connection with, and as feeders to, the railways throughout India.”

In the year 1864 this Company applied for, and obtained from the Madras Government, certain concessions for the purpose of making a light railway, on a gauge of $3\frac{1}{2}$ feet, from the Arconum station on the Madras Railway to the town of Conjeveram, a distance of $18\frac{3}{4}$ miles. This light railway is, I believe, the only enterprize of the kind which has been undertaken by the Company. It was opened to the public in August 1865.

After being worked for about two years it was found that the results did not come up to the expectations of the Company, and from the 1st January 1868 they obtained from the Secretary of State a guarantee of dividend on their paid-up capital (£100,000) at a minimum rate of 3 per cent.

During 1869-70 the Indian Tramway Company became merged in the Carnatic Railway Company (Limited), which was then started with a capital of £800,000, having a minimum dividend of 5 per cent., guaranteed by the Secretary of State. The object to which this capital was to be applied was the conversion of the $3\frac{1}{2}$ feet gauge line between Arconum and Conjeveram to a $5\frac{1}{2}$ feet gauge, and its extension from Conjeveram to Cuddalore.

During 1871 the work conceded to the Carnatic Railway Company was somewhat modified; and the Company is now under an engagement to construct a line of railway, on a gauge of 3 feet $3\frac{3}{4}$ inches, between Madras and Cuddalore, a distance of about 110 miles; their original $3\frac{1}{2}$ feet gauge line between Arconum and Conjeveram remaining for the present unaltered.

3. Under existing orders, therefore, the length of the system entrusted to the Carnatic Railway Company is about 129 miles —

From Arconum to Conjeveram	...	...	...	...	...	19
„ Madras to Cuddalore	...	...	...	...	...	110
						<hr/> 129

In addition to this it is possible that the extension from Cuddalore to join the Great Southern of India Railway at Tanjore may be conceded to them; and it is also possible that a line to join Conjeveram with Chingleput may be constructed by them. These two concessions would lengthen their system by about 107 miles —

From Cuddalore to Tanjore	...	...	...	...	...	87
„ Conjeveram to Chingleput	...	...	...	...	...	20
						<hr/> 107

These additions would increase the Company's system to a possible maximum of 236 miles.

I have no hesitation in stating my opinion that, in India at least, it is simply impossible to work economically a railway system which is confined within such

narrow limits as this. I have good reason for believing that this opinion is now generally held in England; but so far as Indian Railways are concerned, experience has left me without a doubt as to its accuracy.

4. The Government of India have expressed their opinion* to the effect that a minimum length of 400 or 500 miles, and a maximum length of 800 or 1,000 miles, will be generally found suitable for the undertaking of one Company.

More recently, when addressing† the Secretary of State with reference to the proposed extensions of the Great Southern of India and the Carnatic Railways, the Government of India wrote as follows:—

“The systems of both these Companies must remain so limited for many years to come that it is highly desirable that they should be induced to amalgamate, and we would urge this suggestion on your Grace’s consideration. Besides the direct economy that would result in direction, both in England and India, there would be an end to conflicting interests whether as respects present limits or future extensions, and the working of the lines, when open, would be much facilitated.”

5. Unless this suggested amalgamation be carried out, it seems more than probable that the public interests will suffer in each of the directions mentioned by the Government of India. I have already alluded to the want of economy in the working of the Carnatic Railway which must result from present arrangements; and there can be little doubt that its interests will be in direct competition with those of the Great Southern of India Railway.

That a tendency in this latter direction has already been shown, the Government will gather from the papers which I did myself the honour to send to you

* With letter No 262.

on the 26th ultimo* bearing on the subject of the proposed line between Cuddalore and Tanjore. The permission to survey portions of this line, which was accorded by the Government of India to the two Companies, was subject to the proviso that the Government in no way bound itself to concede the construction of either portion of the line to either Company; yet it will be seen that, in sending up the results of the examination of the country between Cuddalore and the Coleroon river, the Agent of the Carnatic Railway Company lays claim, on behalf of his Company, to the construction of not only that part of the line, but of the portion also between the Coleroon and the Great Southern of India Railway. The latter Company, on the other hand, evidently look on the line between Tanjore and the Coleroon river as an extension of their system to which they have an undoubted claim.

6. There is reason to believe that a proposal for amalgamation has already been made in England—the proposed measure including not only the Great Southern of India and the Carnatic Companies, but also the Madras Railway Company. If it were to be carried out this would combine under one management the whole of the Railway interests in Southern India, but it seems to me that the proposal must be looked at from more than one point of view.

The united mileage of the three Companies, including extensions, would amount to 1,471 miles. Not only would this largely exceed the limit which the Government of India have been led by experience to assign to the undertaking of any one Company, but there are special circumstances which seem to show that it would be impolitic to attempt to unite interests so distinct and so little likely to come into conflict as are those of the Madras Railway on the one hand, and those of the other two Companies on the other.

<i>Madras Railway.</i>			
North-West line	...	...	340
South-West line	...	...	492
Neilgherry branch	...	...	25
			857
<i>Great Southern of India Railway.</i>			
Negapatam to Erode	...	...	168
Southern Extension	...	...	210
			378
<i>Carnatic Railway.</i>			
Arconum to Conjeveram	...	...	19
Madras to Cuddalore	...	...	110
Conjeveram to Chingleput	...	...	20
			149
Cuddalore to Tanjore	...	...	87
			1,471

The whole of the Madras Railway system has been constructed on the Indian broad gauge of 5½ feet. The existing line of the Great Southern of India Railway Company between Negapatam and Erode has also been constructed on this gauge; but all the extensions in progress, and under contemplation, both of this Company and the Carnatic Railway Company, will be constructed on the Indian narrow gauge of 3 feet 3½ inches; and it is beyond all doubt that the line between Negapatam and Erode will before long be converted to the same gauge. The Government of India have distinctly stated* that they regard this as inevitable, and they have recorded their opinion that “the only satisfactory settlement” is “to make the whole region south and east of the Madras South-West line into a narrow gauge territory.”

* In letter to Secretary of State, 13th July 1871, No. 75 R., paragraph 8.—*Vide* G. O., No. 2,134, 19th August 1871.

It should also be noticed how distinctly defined are the districts from which the Madras Railway on the one hand and the two Southern Companies on the other hand will severally draw their traffic; and how prominent, and indeed almost impassable, are the natural features by which these districts are marked off from each other. From Arcot to Erode, a distance of about 180 miles, one range of hills after another completely shuts out the Madras Railway from all possibility of drawing traffic from the tract, averaging in width about 70 miles, which will be drained by the other lines. Beginning at Arcot with the Vellore hills, then the Javadie hills, the Yailagherries, the Shevaroyes, and the Collemallies from an almost impenetrable barrier to the south and east of the Madras Railway; and to the east of Arcot the Palar river serves for about 20 miles to divide, in like manner, the traffic of the two systems. As a matter of fact the only three points at which the two systems will come into contact will be at Madras, Arconum, and Erode; and with regard to the 42 miles between Madras and Arconum, where perhaps the line separating the two traffic systems is not clearly marked by nature, I think it highly improbable that the Southern Companies will attract one ton of goods, or one passenger, that would, under present circumstances, go to the Madras Railway.

7. It seems to me that if due weight be given to these three arguments—

- (1.) that the mileage of the Madras Railway by itself amounts to 857 miles, a length of line which can be efficiently and economically supervised

Proceedings of the Madras Government, Public Works Department,
14th May 1872.

by one management; but that, with the other two Companies united to it, the mileage would come to 1,471 miles, a length which it would be almost beyond the power of one management to thoroughly and efficiently supervise;

- (2.) that the gauge of the entire Madras Railway system is $5\frac{1}{2}$ feet; while the gauge of the entire systems allotted to the other two Companies will before long be 3 feet $3\frac{3}{4}$ inches;
- (3.) that the regions drained by Madras Railway on the one hand, and by the two Southern Companies on the other, are separated by obstacles of an almost impassable nature, and that it is scarcely possible for their respective interests to come into collision,

it will become clear that no advantage will be gained by uniting the three Companies under one management. One disadvantage, which would incidentally follow from such an arrangement, is the removal of, what experience has proved to be, the wholesome stimulus to efficient and economical management, afforded by having within the limits of the Presidency two separate and distinct Railway agencies.

8. On the other hand, to the amalgamation proposed by the Government of India between the Great Southern of India and the Carnatic Railway Companies no such objection can be opposed. The length of the united system, 613 miles, will be conveniently suited for efficient and economical supervision by one management; the gauge will be uniform throughout the entire system; and the districts through which the two lines pass, while separated by marked barriers from those which feed the Madras Railway, are so thoroughly united and interconnected as to make it scarcely possible for two Companies to co-exist without constant risk of their interests coming into collision.

9. Upon these grounds I trust that the Government will see fit to urge upon His Grace the Secretary of State the importance, I would almost say the absolute necessity, of insisting upon the amalgamation between the Great Southern of India and the Carnatic Railway Companies as recommended by the Government of India. I have only to add that, keeping in view the interest of the State and of the Railway shareholders, there is no time at which the proposed amalgamation could so advantageously be carried into effect as the present.

No. 427. ORDER THEREON, 14th May 1872, No. 1,321.

RAILWAY, No. 63.

ORDERED that the following letter be sent to the Government of India:—

(Here enter No. 1,322, dated 14th May 1872.)

(True Extract.)

Colonel, R.E.,

Officiating Secretary to Government.

To the Consulting Engineer for Railways.

Exl. S. T. Augustin.

Railway Report

From,

G.

Com: Engr's Office

No. 214

Sent to Colonel J. M. Mc. Shaw, Stewart 108
Consulting Engineer for Railways
Madras.

Colonel G. W. Walker R.E.
Secy. Secretary to Government
Public Works Department
Fort Saint George.

I have the honor to submit
the serious consideration of Government
to the unsatisfactory position occupied
by the Carnatic Railway Company.
Its history is well known to the
Government. Briefly stated, it is
as follows.

The Indian Tramway Company
(Limited) was formed in the year 1862
for the purpose, amongst other things,
of the introduction of a system of
Tramways

"tramway in connection with, and as
"feeders to the railways throughout
India".

In the year 1864 the Company
applied for, and obtained from the
Madras Government, certain concessions
for the purpose of making a light
railway, on a gauge of $3\frac{1}{2}$ feet, from
the Arcotum station on the Madras
Railway to the town of Conjeram, a
distance of $18\frac{3}{4}$ miles. This light
railway is I believe the only enterprise
of the kind which has been under-
taken by the Company. It was
opened to the public in August 1865.

After being worked for
about two years, it was found that
the results did not come up to the
expectations of the Company, and from
the 1st January 1868 they obtained —
from

72
from the Secretary of State a guarantee
of dividend on their paid-up capital
(£100,000) at a minimum rate of 3
per cent.

During 1869-70, the Indian
Tramway Company became merged in
the Southern Railway Company Limited,
which was then started with a capital
of £800,000, having a minimum dividend
of 5 per cent guaranteed by the Secretary
of State. The object to which this
capital was to be applied was the
conversion of the $3\frac{1}{2}$ feet gauge line
between Arcotum and Conjeram to a
 $5\frac{1}{2}$ feet gauge, and its extension from
Conjeram to Coimbatore.

During 1870, the work conceded
to the Southern Railway Company
was somewhat modified, and the
Company is now under an engagement
to

to construct a line of railway, on a gauge
 of 3 feet 3 1/2 inches; between Madras
 and Buddalore, a distance of about
 110 miles; their original 3 1/2 feet gauge
 line between Arcacum and Conjivaram
 remaining for the present unaltered.

Under existing orders,
 therefore, the length of the system
 entrusted to the Madras Railway
 Company is about 129 miles:

From Arcacum to Conjivaram 19
 Madras to Buddalore 110
129

In addition to this, it is
 possible that the extension from
 Buddalore to join the Great Southern
 of India Railway at Bangalore may
 be conceded to them; and it is
 also possible that a line to join
 Conjivaram with Chingleput may
 be

be constituted by them. These two
 concessions would lengthen their system
 by about 107 miles:

From Buddalore to Bangalore 87
 Conjivaram to Chingleput 20
107

These additions would increase
 the Company's system to a possible
 maximum of 236 miles.

I have no hesitation
 in stating my opinion that, in India
 at least, it is simply impossible
 to work economically a Railway system
 which is confined within such narrow
 limits as this. I have good reason
 for believing that this opinion is
 more generally held in England; but
 so far as Indian Railways are concerned,
 experience has left me without a
 doubt as to its accuracy.

4 The Government of India have expressed their opinion to the effect that a minimum length of 100 or 500 miles, and a maximum length of 800 or 1000 miles, will be generally found suitable for the undertaking of one company.

* Resolution of
Govt. of India
3^d December 1867, O. 1157.
Vide L. C. R. 61,
8th January 1868.

More recently, when addressing the Secretary of State, with reference to the proposed extensions of the Great Southern of India and the Carnatic Railway, the Government of India wrote as follows:-

* Letter dated 13th
July 1871, O. 75.R.
Vide L. C. R. 2134.
27th August 1871.

The systems of both these companies must remain so limited for many years to come that it is highly desirable that they should be induced to amalgamate, and we would urge this suggestion on your Grace's consideration.

Besides

4 Besides the direct economy that would result in direction, both in England and India, there would be an end to conflicting interests whether as respects present limits or future extensions, and the working of the lines, when open, would be much facilitated.

5 Unless this suggested amalgamation be carried out, it seems more than probable that the public interests will suffer in each of the directions mentioned by the Government of India. I have already alluded to the want of economy in the working of the Carnatic Railway, which must ^{result} from present arrangements, and there can be little doubt that its interests will be in direct competition with those of the Great

Southern

Southern of India Railway.

That a tendency in the latter direction, has already been shown, the Government will gather from the papers which I did myself the honour to send to you on the 26th ultimo, bearing on the subject of the proposed line between Cuddalore and Bangalore. The permission to survey portions of the line, which was accorded by the Government of India to the two Companies, was subject to the proviso that the Government in no way bound itself to concede the construction of either portion of the line to either Company; yet it will be seen that in sending up the results of the examination of the country between Cuddalore and the Coleroon River, the Agent of the Carnatic Railway

With letter
No. 212.

Railway Company lay claim on behalf of the Company, to the construction of not only that part of the line, but of the portion also between the Coleroon and the Great Southern of India Railway. The latter Company, on the other hand, evidently look on the line between Bangalore and the Coleroon river as an extension of their system to which they have an undoubted claim.

There is reason to believe that a proposal for amalgamation has already been made in England. The proposed measure including not only the Great Southern of India, and the Carnatic Companies, but also the Madras Railway Company. If it were to be carried out, this would combine under one management

management the whole of the Railway
interests in Southern India, but
it seems to me that the proposal
must be looked at from more than
one point of view.

The united
mileage of the three
companies, including
extensions, would amount

to 1471 miles. Not
only would this

largely exceed the
limit which the

Government of India
have been led by

experience to assign to the under-
taking of any one company, but

there are special circumstances
which seem to show that it would

be imprudent to attempt to unite
interests

Madras Railway	
North-West line—	340
South-West line—	492
Neelgherry branch—	25
857	
Coastal Railway	
Negapatnam to Erode—	168
Southern extension—	210
378	
Carnatic Railway	
Aranmula to Bangalore—	19
Madras to Buddalore—	110
Bangalore to Bellary—	20
Buddalore to Dargam—	87
1471	

interests so distinct and so little
likely to come into conflict as are
those of the Madras Railway on
the one hand and those of the
other two companies on the other.

The whole of the Madras
Railway system has been construct-
ed on the Indian broad gauge of
5 1/2 feet. The existing line of
the Great Southern of India Railway
Company between Negapatnam and
Erode has also been constructed on
this gauge; but all the extensions
in progress and under contemplation,
both of this company and the
Carnatic Railway Company, will
be constructed on the Indian narrow
gauge of 3 feet 6 inches; and it
is beyond all doubt that the
line between Negapatnam and Erode
will

will before long be converted to the
same gauge. The Government of
India have distinctly stated that
they regard this as inevitable, and
they have recorded their opinion that
"the only satisfactory settlement" is
to make the whole region South and
East of the Madras South West line
into a narrow gauge territory.

In letter to
Secretary of State
13th July 1851, 10752
para 8.
vide L. G. 2134
19th August 1851.

It should also be noticed
how distinctly defined are the districts
from which the Madras Railway
on the one hand and the two southern
companies on the other hand, will
seriously draw their traffic, and
how prominent, and indeed almost
impossible, are the natural features
by which these districts are marked
off from each other. From Arcot
to Erode, a distance of about 180
miles, one range of hills after
another

another completely shuts out the Madras
Railway from all possibility of
drawing traffic from the tract
averaging in width about 70 miles,
which will be drained by the
other lines. Beginning at Arcot
with the Vellore hills, then the
Javadie hills, the Oyalagherries,
the Shivaroy and the Kollimalies,
from an almost impenetrable barrier
to the South and East of the Madras
Railway. And to the East of
Arcot the Palur River serves for
about 20 miles to divide, in like
measures, the traffic of the two
systems. As a matter of fact,
the only three points at which
the two systems will come into
contact will be at Madras,
Arcotum and Erode: and with
regard to the 42 miles between
Madras

Madras and Arcanum, where perhaps the line separating the two traffic systems is not clearly marked by nature, I think it highly improbable that the Southern Companies will attract one ton of goods, or one passenger, that would under present circumstances go to the Madras Railway.

It seems to me, that if due weight be given to these three arguments,

(1) that the mileage of the Madras Railway by itself amounts to 857 miles, a length of line which can be efficiently and economically supervised by one management; but that, with the other two Companies united

united to it, the mileage would come to 1471 miles, a length which it would be almost beyond the power of one management to thoroughly and efficiently supervise,

(2) that the gauge of the entire Madras Railway system is 5 1/2 feet, while the gauge of the entire systems allotted to the other two Companies will before long be 3 feet 3 3/8 inches,

(3) that the Regions drained by Madras Railway on the one hand, and by the two Southern Companies on the other, are separated by obstacles of an almost impassable nature, and that it is scarcely possible for their

respective

Respective interests to come
into collision, —
it will become clear that no
advantage will be gained by
uniting the three Companies
under one management. One
disadvantage which would in-
cidentally follow from such an
arrangement is the removal of
what experience has proved to
be the wholesome stimulus to
efficient and economical manage-
ment, afforded by having
within the limits of the Presidency
two separate and distinct
Railway Agencies.

On the other hand,
to the amalgamation proposed
by the Government of India
between the Great Southern of
India and the Madras Railway
Companies

219
Companies, no such objection can
be opposed. The length of
the united system, 1082 miles,
well be conveniently suited
for efficient and economical
supervision by one management.
The gauge will be uniform
throughout the entire system,
and the districts through
which the two lines pass,
while separated by marked
barriers from those in which feed
the Madras Railway, are so
thoroughly united and inter-
connected as to make it scarcely
possible for two Companies
to exist without constant
risk of their interests coming
into collision.

Upon these grounds

I trust that the Government
will be so far to urge upon
his Grace the Secretary of
State the importance, I would
almost say the absolute necessity
of insisting upon the amalga-
mation between the Great
Southern of India and the
Carnatic Railway Companies
as recommended by the
Government of India. I
have only to add that keeping
in view the interests of the State
and of the Railway shareholders,
there is no time at which the
proposed amalgamation could
so advantageously be carried
into effect as the present.

Madras } I have the honor to be
1 May } Yours most obedt
1852 } V. Muntzworth Esq
Genl Secy for Mys

For orders.

I concur with
Col Stuart Stewart.
The ~~despatch~~^{representation}
should, I think,
be addressed
to the Govt of India.
Very truly yours.

J. O. S.

In the letter which
is herewith circulated the
Consulting Engineer for Railways
urges on the Government the
advisability of the Secretary of
State, being moved to take
steps for the amalgamation
of the Great Southern of
India and the Carnatic Railway
Companies as already recommen-
ded by the Government of
India, the present being
the most opportune time
for such a measure.

The entire length of
system proposed to be
entrusted

entrusted to the Carnatic
Railway Company, including
future extensions, will be
about 236 miles, which Lieut.
Colonel Shaw Stewart considers
to be too limited to be eco-
nomically worked. He
draws attention to the opinion
expressed by the Government
of India that a minimum
length of 400 or 500 miles
and a maximum of 800 or
1000 miles will be generally
found a suitable under-
taking for one Company.

3. There being reason
to believe that the amal-
gamation of the Carnatic,
the Great Southern, and
the

the Madras Railway Companies
is now in contemplation in
England, the Consulting
Engineer shows that such
an arrangement would assign
to one Company a combined
mileage of 1471 miles, which
is a larger system than
it could work with advan-
tage, while the difference
in the gauge of the Madras
and the two other lines
is a material objection to the
amalgamation of all three.
Seeing that the natural
features of the Districts
from which the Madras
and the Great Southern
and Carnatic Railways will
severally

6.5.72

6.5.72

68. May 12 A. 10

1872
The Rev. Dr. [illegible]
[illegible]
[illegible]

The Secretary to the
 Board of Education
 New York City

hds. 8

1. (10/10/19)

1890

1870

1944

By Secy to Govt of 30 May 1872

100/100
100/100
100/100

Recd 20/5/72

Ordered that the following letter be sent

1321

1872 Dept
From Secy to Govt
The Com: Engineer
for Railways
Madras

To
The Secretary to Govt
P W Dept
Fort Saint George

Dated 1st May 72
Received 1st May 72

No 214

Reports upon the unsatisfactory position of the bar 100 to and suggest its amalgamation with the S of India Railway Company

No 1321-1322-14 Aug 72
With an order

1326

13 May 72
13 May 72

No 1322. P W Dept

To
The Secretary to the
Government of India

Sir,
In their Despatch to the Right Honorable the Secretary of State dated 13th July 1871 No 75 P W the Government of India suggest for consideration the expediency of the Great Southern of India Railway and the Carnatic Railway Companies being induced to amalgamate. The present being

A/A

J.P.S.

R.E.

being the most opportune
time for such an arrange-
ment, the Consulting En-
gineer recommends that
the subject should be again
brought under the special
consideration of the Home
Government, and in the
accompanying report he
explains very fully his
views on the question,
and shows that the
length of system pro-
posed to be entrusted
to the ^{Carnatic} Railway Company,
comprising 236 miles,
inclusive of extensions,
will be too limited an
undertaking to be econ-
omically worked.

There being reason
to

to believe that the amalga-
mation of the Carnatic,
the Great Southern, and
the Madras Railway
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contemplation in England,
the Consulting Engineer
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arrangement would give
to one Company a
combined mileage of
1471 miles, which is
a larger system than
it could work with
advantage, while the
difference in the gauge
of the Madras and
the two other lines is
a material objection to
the amalgamation of
all

all these. Seeing that the natural features of the Districts from which the Madras and the Great Southern and Carnatic Railways will severally draw their traffic must prevent any collision of interests, Lieut Colonel Shaw Stewart considers that the Madras Railway, comprising a mileage of 859 miles, should be under distinct management, while the Great Southern and Carnatic Railways should be amalgamated, and forming one system of

613 miles could be efficiently and economically worked.

In these views the Government entirely concur-

G.M.W.
11.5.72

Recd 28/5/72 with 30 copies
of Genl 1321 of 1872-

Pay Letter to ~~Wm. H. Miller~~ ^{James Miller} Esq,
30 May No 4. of 1872 -

№ 2204

Govt. of 1872; Madras.

PUBLIC WORKS.

To the Seamen's Committee
for the
and

To the Secretary to the
Govt of India

Dated

Recd.

五

G. O. 14 May 1872, 1321-1322

Nos. 426-427 & 428

G. S. of I and Carnatic
Ry Companies - Passing
orders in letter from the
Mangalore for the sub-
ject of the amalgamation
of the G. S. of I and Carnatic
Ry Co^{ys} -