M.R.O. 1—77,006—8-6-37.

(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. 2900-2901 Press
176-178 Mis.

Dated 9- 12- 1872.

Not to be folded or roughly handled

No. 176. Read the following letter from the Consulting Engineer for Railways, to the Secretary to Government, Public Works Department, dated Madras, 15th November 1872, No. 624.

In their Order No. 1,694, dated the 28th May 1868, the Government were pleased to authorize that an unadjusted balance of Rupees 1,34,358-3-1, arising from the transfer of the old Madras Workshops from the Engineering to the Locomotive Department, should be written off against the Capital Account of the Madras Railway.

2. The history of the transfer was given in my letter No. 163, dated 9th May 1868, but it may be briefly stated here that in the year 1861 the Board of Directors, considering it expedient to concentrate the whole of the mechanical establishments at Madras into one set of workshops under a competent mechanical Engineer, with a view to increased economy and efficiency and to the avoiding of injurious competition for skilled labour between the Engineering and Locomotive Departments, instructed their Agent and Manager in India to arrange for the mechanical work of the Madras Railway being turned out in the Locomotive Department, and to transfer with this view the engineering workshops to that department.

G. O. No. 1,694, dated 28th May 1868.

3. The above transfer was carried out during the years 1861 and 1862, but stock was not taken of the stores transferred until the year 1866. The delay was occasioned by a difference of opinion between the Chief Engineer and the Locomotive Superintendent regarding the price at which the plant, etc., should be debited in the books of the Locomotive Department, the Chief Engineer maintaining that the articles should be transferred at the cost at which they stood in his books, and the Locomotive Superintendent considering that they should be re-valued and the difference written off as loss. This latter course was adopted, and the sanction of Government was obtained to the loss, amounting as beforestated to Rupees 1,34,358-3-1, being debited as a charge against Capital.

4. This sum of Rupees 1,34,358-3-1 was arrived at by returning a portion of the old workshop stock into the general stores, selling a portion as unserviceable, letting the Locomotive Department take a portion at a valuation, and allowing the remainder to be left on the books of the Engineering Department. This last portion consisted of two items, one being timber which was added to the workshop stock, and the other "stores not received by the Locomotive Department, returned, or to be returned, to the Engineering Department." The value, Rupees 41,065-2-10, set down against this latter item is the price at which the articles enumerated in Statement 2 annexed to the Chief Engineer's letter No. 329, dated the 20th June 1871, stood on the Chief Engineer's books, and which that officer characterizes as "quite fictitious."

Herewith enclosed with Agent's letter No. 6:8, dated 13th September 1872.

5. Some of the articles in the statement above referred to have been since disposed of, and by selling the unserviceable articles, and taking the serviceable ones into the workshop stock at a valuation, it appears that the value of the stock

now standing in the Chief Engineer's books is Rupees 35,596-0-10, which the Railway Authorities ask to be allowed to write off against Capital.

6. Of the unserviceable articles there are a key-cutting machine, a planing machine, and a tenon-cutting machine, which the Agent proposes to offer for sale to the other Railways, and if a sale is effected to credit Capital with the sum realized. It seems to me, however, that the sum represented by these three items, Rupees 5,778-6-8, should remain in abeyance until the result of the Agent's communication with the Railway Authorities is known. The amount to be written off would in this case be reduced to Rupees 29,817-10-2.

7. The whole of the items representing this sum of Rupees 29,817-10-2 were provided for construction purposes, and there seems to be no objection, under the general principle enunciated by the Government of India in letter No. 133 A.R., dated 4th March 1871, to the sum being written off to Capital. It is necessary, however, that the matter should be referred for the orders of the Government of India.

G O. No. 794, dated 16th March 1871.

8. The Agent was asked to explain the cause of the delay in dealing with the question, and his reply (herewith enclosed) is to the effect that no unnecessary delay has taken place, as the object which the Company had in view was to utilize, if possible, the old plant or to effect a sale of it.

No. 759, dated 18th October 1872.

From the Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 13th September 1872, No. 668.

With reference to the discussion which took place at the Stores Committee on the 9th instant, regarding the old Madras Workshop Plant, I have now the honour to forward, for submission to Government, two letters, one from the Acting Chief Engineer dated the 20th of June 1871, No. 329 ; the other from the Chief Engineer dated the 21st of February 1872, No. 88.

2. Mr. Going's letter of the 20th of June 1871 shows that, in order to arrive at an arrangement by which the stock might be cleared off the Chief Engineer's books, a list was prepared in December 1867, when it was determined that a portion of the stock was to be returned into the General Stores, a portion sold as unserviceable, another portion taken by the Locomotive Department at a valuation, and the remainder left on the books of the Engineering Department. The stock retained by the Engineering Department consisted of two items, one being timber which was added to the workshop stock, and the other stores as per statement No. 2. The value of these stores is shown at Rupees 41,065-2-10, and is the price at which the articles enumerated in the statement stood on the Chief Engineer's books, and is, Mr. Going stated, quite fictitious, most of the articles being unserviceable.

3. By Mr. Anderson's letter No. 88, it appears that the value of the stock now standing in his books is Rupees 35,596-0-10, and with the exception of the planing machine, the tenon-cutting machine, and the key-making machine, (which will be offered for sale to the Railway Companies in the sister Presidencies), the remainder of the plant is worn out and unserviceable, and its value I now seek to have written off as a loss.

4. It appears to me that inasmuch as there is a good deal of doubt whether we shall be able to dispose of the above-mentioned machines, it will be advisable to obtain the sanction of Government to clear the engineering books of the sum of Rupees 35,596-0-10, Capital receiving credit hereafter for the sums realized by the sale of the machines.

From the Acting Chief Engineer, to the Acting Agent and Manager of the Madras Railway Company, dated Madras, 20th June 1871, No. 329.

G. O., No. 1,694, dated 28th May 1868, and the correspondence accompanying it.

At the time of the transfer, by order of the Board, of the old Madras Workshop stock to the Locomotive Department there was, you may remember, a difference of opinion between the Chief Engineer and Locomotive Superintendent on the subject of the price at which the plant, etc., was to be debited in the books of the Locomotive Department, the Chief Engineer maintaining that the articles should be transferred at the cost at which they stood in his books, and the Locomotive Superintendent considering that they should be re-valued and the difference written off as a loss. This latter course was adopted and the loss debited as a charge against Capital.

2. In order to arrive at the amount to be thus written off, a list was prepared in December 1867, showing the manner in which it was agreed that the old workshop stock should be disposed of, from which it appears that a portion of the stock was to be returned into the general stores, a portion sold as unserviceable, another portion taken by the Locomotive Department at a valuation, and the remainder left on the books of the Engineering Department. This last portion consisted of, two items, one being timber which was added to the workshop stock and the other " stores not received by Locomotive Department, returned, or to be returned, to Engineer Department (statement No. 2)." The value, Rupees 41,065-2-10, set down against this latter item is the price at which the articles enumerated in the statement stood on the Chief Engineer's books, and is, I regret to say, quite fictitious, most of the articles being unserviceable. Some of them have been since disposed of, as shown in the annexed list, but as a sum of Rupees 36,186-14-8 still appears in the accounts of this department, I beg now to apply for sanction to sell the unserviceable articles, to take the serviceable ones into the Terminal workshop stock at a valuation, and to write off the balance of the amount as a loss which should be charged to Capital, in accordance with the views expressed by the Consulting Engineer in paragraph 6 of his letter No. 163 of 9th May 1868, to Secretary to Government.

Statement No. 2.

Stores not received by Locomotive Department, returned, or to be returned, to Engineering Department.

		Rs.	A.	P.
1	Pipe and Cup Machine	246	12	0
1	Machine for Planing Wood	2,397	14	2
1	Do. Shearing	290	9	3
1	Do. Trenail	2,742	15	8
1	Do. for making keys	2,742	15	8
1	Do. Tenon-cutting	637	8	10
1	Corrugating Mill	2,316	10	5
1	Portable Pumps	10,705	6	6
2	Engine to work pump for foundation of bridges	2,677	10	4
1	Sludge pumps	357	5	7
4	Apparatus, hand screwing, (five boxes)	2,090	14	1
...	Mountings, wagon, work incomplete	8,468	0	0
...	Bellows, circular	1,012	15	8
...	Do., do, (English)	4,264	5	10
...	Do., Portable	113	2	10
...	Total	41,065	2	10

(Signed) W. B. WRIGHT,
Locomotive Superintendent.

13th *December* 1867.

Description.	How disposed of.	Value realized.
Engine to work pump	Charged to Kuddlehoondy Bridge ...	RS. A. P. 2,677 10 4
Taps and Dies	Returned into General Stores... ...	1,087 5 6
Bellows	Sold by Auction	1,113 4 4
	Total realized...	4,878 4 2
	Value shown in statement	41,065 2 10
	Value still appearing in the Accounts.	36,186 14 8

(Signed) T. H. GOING,
Acting Chief Engineer.

From the Chief Engineer, to the Agent and Manager of the Madras Railway Company, dated Madras, 21st February 1872, No. 88.

In his letter No. 329, dated 20th June last, Mr. Going applied for permission to deal with some machinery and stores, which stood on the books of this department at a fictitious value, in the following manner:—"To sell the unserviceable articles, to take the serviceable ones into the workshop stock at a valuation, and to write off the balance of the amount as a loss." Since the date of Mr. Going's letter, two of the articles alluded to, namely, a corrugating mill and a shearing machine were taken into the workshop stock at values settled by the Locomotive Department, and these have since been written off under the head of Plant, as sanctioned in G. O. No. 1,983 of 28th July 1871.

2. The pumps mentioned in statement No. 2 are utterly useless in their present state, and the Locomotive Superintendent has informed me that the necessary repairs and renewals would cost more than the pumps would be worth when completed. I therefore propose to treat such parts of them as cannot be otherwise made use of as old cast iron. The weight of these parts being 2 tons 16 cwts. 3 qrs. 10 lbs. and the value of old metal 30 per ton, their value is Rupees 85-4-2. In addition to the above there are some pieces of piping and a small iron tank belonging to the pumps which I hope to be able to use elsewhere; I am, therefore, prepared to take them into the workshop stock at 60 per ton; at which rate, their weight being 18 cwts. 2 qrs. 4 lbs., their value is Rupees 55-9-8. The only articles remaining in addition to the above are a key-cutting machine, a planing machine and a tenon-cutting machine. These are useless to me and I am afraid there will be some difficulty in effecting their sale except at a merely nominal rate. I should, therefore, recommend that their value be written off as a loss, and if hereafter I can find a sale for them the amount be credited to Capital.

The following is a Statement of the Account.

				RS. A. P.
Value of Stock as per Statement No. 2				41,065 2 10
Engine to work pump (charged to Kuddlehoondy) ...	...	2,677 10 4		
Taps and Dies (transferred to General Stores) ...	...	1,087 5 6		
Bellows (sold)	...	1,113 4 4		
Corrugating Mill (charged)	...	350 0 0		
Shearing Machine (charged)	...	100 0 0		
Old Iron (to be taken into stock)	...	85 4 2		
Old Pipes and Tank (do.)	...	55 9 8		
Planing Machine ... Tenon-cutting do. Key-making do.	...	.....		
		5,469 2 0		
To be written off as loss...		35,596 0 10		
				41,065 2 10

21st *February* 1872.

(Signed) B. ANDERSON,
Chief Engineer.

From the Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 18th October 1872, No. 759.

Upon receipt of your letter of the 24th ultimo, No. 774, I placed myself in communication with the Chief Engineer and have now the honour to solicit your attention to that officer's reply.*

*17th October, No. 481.

2. From the concluding paragraph of Mr. Anderson's letter, you will observe that he is of opinion that no unnecessary delay has taken place in dealing with the question of "the old Madras Workshop plant;" and when it is remembered that the object which the Company had in view was to utilize, if possible, the old plant, or to effect a sale of it, I am of opinion that the delay may be pardoned.

From the Chief Engineer, to the Agent and Manager of the Madras Railway Company, dated Madras, 17th October 1872, No. 481.

Your endorsement on Consulting Engineer's letter No. 774 of the 24th ultimo.

In the proceedings attached to G. O., No. 1,694, dated 28th May 1868, it is provided that in the adjustment of the Madras Workshop stock certain "stores not received by Locomotive Department, returned, or to be returned, to Engineer Department (statement No. 2)" shall be debited to the Engineering Department, the value of these amounted to Rupees 41,065-2-10, and consisted of the following articles, etc.:—

	RS. A. P.
Pipe and Cup Machine	246 12 0
Machine for Planing Wood	2,397 14 2
Shearing Machine	290 9 3
Trenail Machine...	2,742 15 8
Key-making Machine	2,742 15 8
Tenon-cutting Machine	637 8 10
Corrugating Mill	2,313 10 5
Two Portable Pumps	10,705 6 6
Pumping Engine...	2,677 10 4
Four sludge Pumps	357 5 7
Taps and Dies (five boxes)	2,090 14 1
Wagon Mountings	8,468 0 0
Circular Bellows	1,012 15 8
Do. do. (English)	4,264 5 10
Portable Bellows	113 2 10
Total ..	41,065 2 10

Of these the under-mentioned items were disposed of, as follows, as explained in my letter No. 329 of 20th June 1871:—

	RS. A. P.
Pumping Engine (charged to Kuddlehoondy)	2,677 10 4
Taps and Dies (transferred to General Stores)	1,087 5 6
Bellows (sold by Auction)...	1,113 4 4

Since the date of my letter above quoted, the following articles have been taken on to the Terminal Workshop stock at prices settled by the Locomotive Superintendent and charged off under the head "Plant:—"

	RS. A. P.
Corrugating Mill	350 0 0
Shearing Machine	100 0 0

This left a balance of Rupees 35,736-14-8 still to be disposed of.

2. As stated in my letter No. 88 of 21st February 1872, the pumps mentioned in statement No. 2 are utterly useless in their present state, and the necessary repairs and renewals would cost more than the pumps would be worth when completed. These can only be utilized as old metal for re-casting, and as such would be worth Rupees 85-4-2. There are besides some pieces of piping and a small iron tank belonging to the pump which can be used elsewhere; and I am prepared to retain these in stock at a reasonable value, say at Rupees 60 per ton, which would come to Rupees 55-9-8. There is thus left a balance of Rupees 35,596-0-10 to be charged off in the

accounts, which represents the book value of the following articles added to the loss by sale and depreciation in value of those disposed of as above :—

	Rs.	A.	P.
Pipe and Cup Machine	246	12	0
Machine for Planing Wood	2,397	14	2
Trenail Machine	2,742	15	8
Key-making Machine	2,742	15	8
Tenon-Cutting Machine	637	8	10
Four sludge Pumps	357	5	7
Wagon Mountings (incomplete)	8,468	0	0
Taps and Dies (depreciation in value)	1,003	8	7
Bellows (loss by sale)	4,277	4	0
Corrugating Mill (depreciation in value)	1,966	10	5
Shearing Machine (do.)	190	9	3
Portable pumps (do.)	10,564	8	8
Total...	35,596	0	10

3. The machines left on hand were cleaned, and when possible, put into working order, in hopes of either being able to utilize them, or to effect a sale, but without success, and under the circumstances I considered it desirable to apply for sanction to write off their value in the accounts; if hereafter I can dispose of the machines the amount shall be credited to Capital.

4. I cannot see that there has been any unnecessary delay in dealing with this matter.

No. 177.

RAILWAY, No. 35.

ORDER THEREON, 9th December 1872, No. 2,900.

G. O., No. 1,694, dated 28th May 1868.

IT appears from the above papers that the stores, valued at Rupees 41,065-2-10, which were retained by the Engineering Department of the Madras Railway on the general transfer of their stock to the Locomotive Department are entered in the books at such an excessive valuation that it becomes necessary to request the sanction of Government to write off Rupees 35,596-0-10 of the amount in order to adjust the accounts. This latter figure is arrived at by adding to the book value of those articles which are found to be useless the loss by sale and depreciation of the remainder. The Consulting Engineer, however, points out that if a sale is effected for the articles noted in the margin to other Railway Companies who may require them, the sum to be written off will be reduced to Rupees 29,817-10-2, and he requests that the sanction of the Government of India may be obtained to charge this amount to Capital; the stores having been provided for construction purposes, and the loss thereon being debitable to Capital under the ruling of that Government. The question will be accordingly referred for the orders of the Government of India.

	Rs.	A.	P.
1 Key-cutting Machine ...	2,742	15	8
1 Planing do.	2,397	14	2
1 Tenon-cutting do.	637	8	10
Total...	5,778	6	8

(Here enter No. 2,901, dated 9th December 1872.)
(True Extract.)

Colonel, R.E.,
Secretary to Government.

To the Consulting Engineer for Railways.
Exd. E. C. Shunker.

PUBLIC WORKS DEPARTMENT,
FORT ST. GEORGE, *9th December* 1872.

No. 178.

No. 2,901.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
PUBLIC WORKS DEPARTMENT.

RAILWAY, No. 36.

SIR,—I am directed to forward, for the orders of the Government of India, the accompanying papers in which sanction is requested by the authorities of the Madras Railway to write off to Capital, Rupees 35,596-0-10 (reduced to Rupees 29,817-10-2) on account of loss by sale and depreciation of certain stores which were provided for construction purposes by the Engineering Department. The circumstances of the case are fully explained in the papers now submitted and in the Proceedings of Government of the 28th May 1868, No. 1,694.

I have the honour to be,
Sir,
Your most obedient servant,

Colonel, R.E.,
Secretary to Government.

Exd. E. C. Shunker.

No. 668

MADRAS RAILWAY.

AGENT AND MANAGER'S OFFICE.

Madras, 13th September 1872.

From

Robert B. Elwin Esquire

Agent and Manager of the M.R.Co.

To

Lieutt. Coll. J.H.M. Shaw Stewart R.E

Consulting Engineer for Railways.

Sir,

With reference to the discussion which took place at the Stores Committee on the 9th instant regarding the old Madras Workshop Plant I have now the honour to forward for submission to Government two letters, one from the Acting Chief Engineer dated the 20th of June 1871 N°329, the other from the Chief Engineer dated the 21st of February 1872 N°88.

2. Mr. Going's letter of the 20th of June 1871 shows that in order to arrive at an arrangement by which the stock might be cleared off the Chief Engineers Books, a list was prepared in December 1867 when it was determined that a portion of the stock was to be returned into the General Stores

No. 668

MADRAS RAILWAY.

AGENT AND MANAGER'S OFFICE.

Madras, 13th September 1872.

From

Robert B. Elwin Esquire

Agent and Manager of the M.R.Co.

To

Lieutt. Coll. J.H.M. Shaw Stewart R.E

Consulting Engineer for Railways.

Sir,

With reference to the discussion which took place at the Stores Committee on the 9th instant regarding the old Madras Workshop Plant I have now the honour to forward for submission to Government two letters, one from the Acting Chief Engineer dated the 20th of June 1871 N°329, the other from the Chief Engineer dated the 21st of February 1872 N°88.

2. Mr. Going's letter of the 20th of June 1871 shows that in order to arrive at an arrangement by which the stock might be cleared off the Chief Engineers Books, a list was prepared in December 1867 when it was determined that a portion of the stock was to be returned into the General Stores

Stores, a portion sold as unserviceable, another portion taken by the Locomotive Department at a valuation, and the remainder left on the books of the Engineering Department. The stock re= =tained by the Engineering Department consisted of two items, one being Timber
82.11.10 which was added to the Workshop Stock, and the other Stores as per statement
3.2.10 N°2. The value of these Stores is shewn at Rupees 4165-2-10 and is the price at which the articles enumera= =ted in the Statement stood on the Chief Engineer's Books, and is, Mr. Going stated, quite fictitious, most of the articles being unserviceable.

3. By Mr. Anderson's letter N°88 it appears that the value of the Stock now standing in his Books is Rupees 35,596-0-10, and with the exception of the Planing Machine, the Tenon Cutting Machine, and the Key making Machine, (which will be offered for sale to the Railway Companies in the Sister Presidencies) the remainder of the Plant is worn out and unserviceable, and its value I now seek to have written off as a loss.

4. It appears to me that inasmuch as

MADRAS RAILWAY.

From

The Agent and Manager.

To

The Consulting Engineer

for Railways.

Dated 186 .

Recd.

No.

13

there is a good deal of doubt whether we shall be able to dispose of the above mentioned Machines it will be advisable to obtain the sanction of Government to clear the Engineering Books of the sum of Rupees 35,596-0-10. Capital receiving credit hereafter for the sums realised by the sale of the Machines.

I have the honour to be,
Sir
Your most obedient Servant,

Agent and Manager.

MADRAS RAILWAY.

From

The Agent and Manager.

To

The Consulting Engineer

for Railways.

Dated 13th September 1872.
Recd. 14-

No. 668.

Regarding the disposal of the old Goodsheds Workshops Plant.

Vide letter to Agent- 24th Septr/72
No 774-

P. W. 5670/72.

from which it appears that a portion of the stock was to be returned into the General stores, a portion sold as unserviceable another portion taken by the Locomotive Department at a valuation, and the remainder left on the books of the Engineering Department. This last portion consisted of two items one being timber which was added to the workshop stock and the other "stores not received by Locomotive Department, returned, or to be returned to Engineer Department (vide statement No 2). The value Rupees 41,065-2-10 set down against this latter item is the price at which the articles enumerated in the statement stood on the Chief Engineer's books and is I regret to say, quite fictitious most of the articles being unserviceable. Some of them have been since disposed of as shewn in the annexed list but as a sum of Rupees 36,186-14-8 still appears in the accounts of this Department I beg now to apply for sanction to sell the unserviceable articles to take the serviceable ones into the Triennial workshop stock at a valuation, and to write off the balance of the amount as a loss which should be charged to Capital in accordance with the views expressed by the Consulting Engineer in para 6 of his letter No 163 P.W. May 1864, to Secretary to Government.

Yours faithfully
(Signed) T. H. Young
Ag. Chief Engineer

Statement No 2

Stores not received by Locomotive Department, returned or to be returned to Engineering Department

1	Pipe and Cup Machine	246	12	0
1	Machine for Planing woods	2397	14	2
1	do Shearing	290	9	5
1	do Trenail	2742	15	8
1	do for making Keys	2742	15	8
1	do Tenon Cutting	637	8	10
1	Corrugating Mill	2316	10	5
2	Portable Pumps	10705	6	6
1	Engine to work Pumps for foundations & Bridges	2677	10	4
4	Sludge Pumps	357	5	7
	Apparatus hand Screwing 5 Boxes	2090	14	1
	Mountings wagon work incomplete	8466	0	0
	Bellows Circular	1012	15	8
	do do English	4264	5	10
	do Portable	113	2	10
	Total Rupees	41065	2	10

December 1867.

Signed W. B. Wright
Loco: Superintt.

(True Copy)
(Signed) T. H. Young
Ag. Chief Engineer

Description	How disposed of	Value realized
Engine to work pumps	Charged to Kendle.	—
Taps and dies	hoondy Bridge	Rs 2677-10-4
Bellows	Returned into Gen-	—
	-eral stores	Rs 1087-5-6
	Sold by Auction	Rs 1113-4-4

Total realized Rs 4878-4-2.
Value shewn in Statement 41165-2-10
Value still appearing in the Accounts 36186-14-8

(Signed) J. A. Going
Ag: Chief Engineer

C.R. 5679/72.

10

No 88

Madras Railway Company
Chief Engineers Office
Madras 21st February/72

The Agent and Manager

Dear Sir,

In his letter No 329 dated 20th June last Mr. Going applied for permission to deal with some machinery and stores, which stood on the books of this depart-ment at a fictitious value, in the follow-ing manner "to sell the unserviceable articles, to take the serviceable ones into the workshop stock at a valuation, and to write off the balance of the account as a loss" since the date of Mr. Going's letter two of the articles alluded to viz: a Corrugating Mill and a Shearing Machine were taken into the workshop stock at values settled by the Locomotive Department and these have since been written off under the head of plant as sanctioned in G.O. No 1983 of 21st July 1871.

2. The Pumps mentioned in state-ment No 2 are utterly useless in their present state and the Locomotive Super-intendent has informed me that the necessary repairs and renewals would cost more than the pumps would be

worth when completed. I therefore propose to treat such parts of them as cannot be otherwise made use of as old Cast iron. The weight of these parts being 2-16-3-10 tons cwts qrs lbs and the value of old metal 30/- per ton their value is Rupees 85-4-2. In addition to the above there are some pieces of piping and a small iron tank belonging to the pumps which Shops to be able to use elsewhere, I am therefore prepared to take them into the workshop Stock at 60/- per ton at their value is Rupees 55-9-8. The only Articles remaining in addition to the above are a Key Cutting Machine a planing Machine and a tenon Cutting Machine. These are useless to me and I am afraid there will be some difficulty in effecting their sale except at a merely nominal rate. I should therefore recommend that their value be written off as a loss and if hereafter I can find a sale for them the amount be credited to Capital.

Yours faithfully
(signed) Beresford Anderson
Chief Engineer

(True Copies)

Agent & Manager

Q.M.S. 67/11.

11/2

The following is a statement of the Account

Value of Stock as per Statement № 2	Rs	41065-2-10
Engine to work pump (charged to Kuddlehoondy)	Rs	2677-10-4
Taps and dies (Transfered to General Stores)	"	1087-5-6
Bellows (Sold)	"	1113-4-4
Corrugating Mill (charged)	"	350-"
Shearing Machine (charged)	"	100-"
Old iron (to be taken into Stock)	"	85-4-2
Old pipes and tank (do)	"	55-9-8
Planing Machine, Tenon Cutting, Key making	"	"
Rupees		5469-2-"
To be written off as loss	"	35596-"-10
	Rs	41065-2-10

21st February 1872

(signed) Beresford Anderson
Chief Engineer

(True Copy)

Agent & Manager

12/2

No. 759

MADRAS RAILWAY.

AGENT AND MANAGER'S OFFICE.

Madras, 18th October 1872

From

R. B. Elwin Esqre

Agent and Manager. of the M. R. Co.

To

Lt Col. J. H. Hall. R. Bruce Stewart, &c.

Consulting Engineer for Railways.

Sir,

Upon receipt of your letter of the 24 ultimo & 774, I placed myself in communication with the Chief Engineer and have now the honour to solicit your attention to that Officer's reply.

17 October No. 481.

2. From the concluding paragraph of Mr Anderson's letter, you will observe that he is of opinion that no unnecessary delay has taken place, in dealing with the question of the old Madras Workshop Plant; and when it is remembered that the object which the Company had in view was to utilise if possible the old plant, or to effect a sale of it, I am of opinion that the delay may be pardoned—

I have the honour to be
Sir
Your most obedient Servant

Agent & Manager.

MADRAS RAILWAY.

From

The Agent and Manager.

To

The Consulting Engineer
for Railways.

Dated 19th October 1872
Recd. 23rd October 1872

No. 759 C.W.

Putting by Drawing
Engineers letter No 774
dated 24th ultimo
relating to the
Madras Workshop
Plant

P. Br. 5/10/72.

22927

No 481 Madras Railway Company
Chief Engineers Office
Madras 4th October 1872

The Agent and Manager

Dear Sir

Your endorsement on Consulting Engineers letter No 774 of the 24th ultimo.

1st In the proceedings attached to G.O. No 1694 dated 28th May 1868 it is provided that in the adjustment of the Madras Workshop stock certain "Stores not received by Locomotive Department returned or to be returned to Engineer Department (as stated by) shall be debited to the Engineering Department, the value of these amounted to Rupees 41065-2-10 and consisted of the following Articles viz

Pipe and Cup Machine	Rupees	246-12-0
Machine for Planing Wood	"	2397-14-2
Shearing Machine	"	290-9-3
Trenail Machine	"	2742-15-8
Key making Machine	"	2742-15-8
Throw cutting Machine	"	637-8-10
Corrugating Mill	"	2316-10-5
Two Portable Pumps	"	10705-6-6
Pumping Engine	"	2677-10-4
Four Shidgo Pumps	"	357-5-7
Taps and dies (5 boxes)	"	2090-14-1
Wagon Mountings	"	8468-4-4
Circular Bellows	"	1012-15-8
Circular Bellows English	"	4264-5-10
Carried over Rs		40952-0-0

Brought over Rs 40952-4-0

Portable Bellows ——— 113-2-10

Rupees 41065-2-10

Of these the undermentioned items were disposed of as follows as explained in my letter N° 329 of 20th June 1871.

Pumping Engine (charged to Kuddlehoondy) Rs 2677-10-4
Taps and dies (transferred to General Stores) ——— 1087-5-6
Bellows (sold by Auction) ——— 113-4-4

Since the date of my letter above quoted the following Articles have been taken on to the Terminal Workshop Stock at prices settled by the Locomotive Superintendent and charged off under the head "Plant".

Corrugating Mill ——— Rupees 350-0-0
Shearing Machine ——— " 100-0-0

This left a balance of Rs 35736-14-8 still to be disposed of.

2. As stated in my letter N° 81 of 21st February 1872 the pumps mentioned in Statement N° 2 are utterly useless in their present state and the necessary repairs and Renewals would cost more than the pumps would be worth when completed. These can only be utilized as old Metal for Recasting and as such would be worth Rs 85-4-2. There are besides some pieces of piping and a small iron tank belonging to the pump which can be used elsewhere and I am prepared to retain these in Stock at a reasonable value say at Rupees 60 per ton, which would come to Rupees 55-9-8. There is thus left a balance of Rupees 35596-0-10 to be charged off in the accounts which represents the book value of the following Articles added to the loss by sale and depreciation in value of those disposed of as above

Pipe and Cup Machine ——— Rs 246-12-0
Machine for Planing Wood ——— " 2397-14-2
Trenail Machine ——— " 2742-15-8
Key making Machine ——— " 2742-15-8
Screw Cutting Machine ——— " 637-8-10
Four Wedge Pumps ——— " 357-5-7
Wagon Mountings (incomplete) " 8468-4-0
Taps and dies (depreciation in value) ——— 1003-8-7
Bellows (lost by sale) ——— " 4277-4-0
Corrugating Mill (depreciation in value) ——— " 1966-10-5
Shearing Machine (do) ——— " 190-9-3
Portable pumps (do) ——— " 10564-8-8

Rupees 35596-0-10

3. The Machines left on hand were cleaned and when possible, put into working order, in hopes of either being able to utilize them, or to effect a sale, but without success, and under the circumstances I considered it desirable to apply for sanction to write off their value in the accounts if hereafter I

can

can dispose of the Machines the account shall be credited to Capital.

4. I cannot see that there has been any unnecessary delay in dealing with this matter.

Yours faithfully
(signed) Beresford Anderson
Chief Engineer

(True Copy)

Agent and Manager

P.W.S. 6791/2.

Railway Department. CONSULTING ENGINEER'S OFFICE,

No. 624.

From

LIEUT.-COLONEL J. H. M. SHAW STEWART, R.E.,
Consulting Engineer for Railways,

To

COLONEL G. W. WALKER, R.E.,
Secretary to Government,
Public Works Department,
Fort Saint George.

SIR,

In their Order No. 1694 dated the 28th May 1868 the Government were pleased to authorise that an unadjusted balance of Rs. 134,358.3.1, arising from the transfer of the old Madras Workshops from the Engineering to the Locomotive department, should be written off against the Capital Account of the Madras Railway.

2. The

2.

The history of the transfer was given in my letter No: 163 dated 9th May 1868, but it may be briefly stated here — that in the year 1861 the Board of Directors, considering it expedient to concentrate the whole of the Mechanical establishments at Madras into one set of workshops under a competent mechanical Engineer, with a view to increased economy and efficiency and to the avoiding of injurious competition for skilled labour between the Engineering and Locomotive departments, instructed their Agent and Manager in India to arrange for the mechanical work of the Madras Railway being turned out in the Locomotive department and to transfer with this view the Engineering workshops to that department.

G.O. 1694 dated 28th May 1868.

3. The above transfer was carried out during the years 1861 and 1862, but stock was not taken of the stores transferred until the year 1866. The delay was occasioned by a difference of opinion between the Chief Engineer and the Locomotive Superintendent regarding the price at which the plant, &c., should be debited in the books of the Locomotive department, the Chief Engineer maintaining that the articles should be transferred at the cost at which they stood in his books, and the Locomotive Superintendent considering that

that they should be re-valued and the difference written off as loss. The latter course was adopted, and the sanction of Government was obtained to the loss, amounting as before stated to Rs 1,34,358. 3. 1, being debited as a charge against Capital.

4. This sum of Rs. 1,34,358. 3. 1 was arrived at by returning a portion of the old workshop stock into the general stores, selling a portion as unserviceable, letting the Locomotive department take a portion at a valuation, and allowing the remainder to be left on the books of the Engineering department. This last portion consisted of two items, one being timber which was added to the workshop stock, and the other Stores not received by the Locomotive department, returned, or to be returned, to the Engineering department. The value, Rs 4,065. 2. 10, set down against this latter item is the price at which the articles enumerated in statement 2 annexed to the Chief Engineer's letter No. 329 dated the 20 June 1871 stand on the Chief Engineer's books, and which that officer characterises as "quite fictitious".

Herewith Enclosed with Agent's letter No. 668 dated 13 September 1872.

5. Some of the articles in the statement above referred to have been since disposed of, and by selling the unserviceable articles, and taking the serviceable ones into the workshop stock at a valuation,

it appears that the value of the stock now standing in the Chief Engineer's books is Rs 35,896—.—10, which the Railway Authorities ask to be allowed to write off against Capital.

b. Of the unserviceable articles there are a Key cutting machine, a planing machine, and a tenon cutting machine, which the Agent proposes to offer for sale to the other railways, and if a sale is effected to credit Capital with the sum realised. It seems to me however that the sum represented by these three items, Rs 5,778.6.8, should remain in abeyance until the result of the Agent's communication with the Railway Authorities is known. The amount

to be written off would in this case be reduced to Rs 29,817.10.2.

7. The whole of the items representing this sum of Rs 29,817.10.2 were provided for construction purposes, and there seems to be no objection, under the general principle enunciated by the Government of India in letter No. 133 A.R. dated 4th March 1871, to the sum being written off to Capital. It is necessary however that the matter should be referred for the orders of the Government of India.

G.O. No. 794 dated 16th March 1871.

8. The Agent was asked to explain the cause of the delay in dealing with the question, and his reply herewith enclosed is to the effect that no unnecessary delay has taken place as the object which the Company had in view

C No. 759 dated 18th October 1872.

P. W. 1872 Depart.
Rec. of Govt. for December

RAILWAY DEPARTMENT.

1872.

From No. 5670.

The Consulting Engineer
for Railways,

To

The Secretary to Government,
P. W. Department,
Fort Saint George.

Dated 15th November 1872.
Recd. 18th do 1872.

4-En Recd
No. 624-
Recd: 6-

With regard to the amalgamation of the Rg.ng Dep.ts & Locos Dep.ts Workshops & the writing off of Rs. 29,817-10-2 arising from the consequent transfer of stock. Nos. 2980-2981-9

Proceedings Railways Department

From

The Consulting Engineer
for Railways

To

The Secretary to Government
P. W. Department

Dated 15th November 1872

No. 5670

Sir

I have the honour to submit for the orders of Government the accompanying proposal for the sale of the Nilgiri Railway and its plant and to request that you will be pleased to move the Government to authorize me to offer the same for sale by public auction.

2. The Nilgiri Railway was opened for traffic on the 15th August 1899 and has been worked by the Madras Railway Company since that date. The capital account to the end of June 1872 stands at Rs. 13,00,000 and the net earnings for the year 1871-72 were Rs. 1,01,000 or 7.77 per cent on the capital.

3. The Madras Railway Company have intimated their desire to purchase the line and plant at a valuation to be fixed by arbitration, and I am of opinion that this is the best course to adopt. The Company have worked the line for three years and are well acquainted with its value. They have also the means of working it economically and of developing the traffic. I would therefore recommend that the line be offered to the Company at a valuation to be fixed by arbitration, and that in the event of the Company declining to purchase on these terms the line be offered for sale by public auction.

4. I have the honour to be
Sir
Your most obedient servant
Missow
1st Secretary & Consulting Engineer for Railways
1872

Recd 26 Nov/72

176

Rate of depreciation
of certain stores which
were permitted for
Construction purposes
by the Engineering
Department. The
circumstances of the
case are fully explained
in the papers now
submitted and in
the Pro. of Govt of the
25th May 1868. No 1694.

Lucas

Cr 5070

Govt. of {1872} Madras.

PUBLIC WORKS.

To

The Consulting Engineer
for Railways

Dated

Recd. Encl. 6

G. O. 9th Decr 1872. 2900-2907.

Nos. 1768 & 1771

Stores - Passing orders on the
letter from the C. Engr for Rys.
requesting sanction to write off to
Capital the loss sustained by the
sale and depreciation of certain Stores
which were provided for Construction
purposes by the Engineering Dept.
of the Madras Railway.

Forwarding for orders an
application submitted by Consulting
Engineer for sanction to write off
to Capital the loss sustained by
the sale and depreciation of certain
Stores, which were provided for Con-
struction purposes by the Engr Dept