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. 179, 180	2902	Press Mis.
Dated	9-12-	18 92

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department, 9th December 1872.

No. 179. Read the following letter from the Consulting Engineer for Railways, to the Secretary to Government, Public Works Department, dated Madras, 19th November 1872, No. 634 :—

With reference to the Order of Government, No. 2,609, dated 6th November 1872, I have the honour to submit the correspondence marginally noted, and to request the orders of Government as to the correct interpretation of paragraph 2 of the letter* from the Government of India.

From Agent, Carnatic Railway, No. 627, dated 12th November 1872.
From Examiner, No. 645, dated 14th November 1872.
From Agent, Carnatic Railway, No. 635, dated 16th November 1872.
* No. 1,484 A.R., dated 25th October 1872.

2. The Agent of the Carnatic Railway states that the effect of the instructions therein contained, according to his reading of them, would be to increase the Revenue proportion of "General Charges" from 10 to 34 per cent.; while the Examiner shows that the apportionment which in his opinion the Government of India intended to suggest will have the effect of bringing the Revenue proportion of general charges below that at present in force, namely, 10 per cent.

3. The construction placed by the Agent upon the wording of the letter from the Government of India is perhaps literally correct; but if that letter be read in conjunction with the previous one dated the 17th June 1872,* it seems to me unlikely that the Government of India could have intended to suggest a recurrence to the old system of dividing the general charges between Capital and Revenue upon the basis of the outlay on the two accounts.

* No. 798, A. R.—*Vide* G. O., dated 5th July 1872, No. 1,626.

From the Agent and Manager of the Carnatic Railway Company, to the Consulting Engineer for Railways, dated Madras, 12th November 1872, No. 627.

I have the honour to acknowledge the receipt of your letter No. 294, dated the 11th instant, enclosing G. O., No. 2,609, dated the 6th instant, on the subject of the apportionment of general charges between Capital and Revenue.

2. I am not sure that I correctly interpret the suggestion of the Government of India conveyed in paragraph 2 of the letter from the Secretary to the Government of India, Public Works Department, (Account—Railway,) to the Secretary to the Madras Government, dated Simla, 25th October 1872, No. 1,484 A. R., but if it is intended to add the amount of the Revenue earnings to the Revenue outlay, and then to divide the general charges in the ratio of this amount to that of the Capital outlay, it will have the effect of very largely increasing the Revenue proportion of these charges, and seeing that the proportion heretofore charged to the Revenue Account has been felt to unduly prejudice it, any change which has the effect of increasing, instead of diminishing, the proportion so chargeable, cannot be viewed satisfactorily by the Company.

3. As the Capital outlay is, however, expected to be largely increased at an early date, I would submit that the Government may be pleased to defer any change in our present arrangements until works of construction are actually commenced.

Memorandum from the Examiner of Railway Accounts, to the Consulting Engineer for Railways, dated Madras, 14th November 1872, No. 645.

Your Memorandum No. 936 of 13th instant enclosing letter No. 627 of 12th instant from Agent, Carnatic Railway, herewith returned.

2. It appears to me that Mr. Fisher has misunderstood the intention of G. O. No. 2,609 of the 6th instant. The present percentage of general charges which is debited to Revenue pending orders from the Government of India is 10 per cent., and he seems to think that the Government of India desire this to be increased. But I am of opinion that what the Government of India mean is that, under present circumstances, the Capital outlay has been placed at too high a figure, bringing out an unduly low percentage chargeable to Revenue, and that they wish, not permanently to alter the percentage proposed, 2½ per cent., but to increase the Revenue sum upon which that percentage is to be calculated by adding the Revenue earnings to the Revenue cash outlay.

3. The Revenue expenditure on an average for the past three half years, deducting general charges, has been about 40 per cent. of the earnings. The effect then of adding the earnings to the cash outlay will be to multiply the sum chargeable to Revenue under Mr. Fisher's proposition of 2½ per cent. on the Revenue cash outlay alone by about 3·5, or to increase the percentage from 2½ to 8·75 per cent. *for the present.*

4. But even with this increase the percentage chargeable to Revenue will be less than the percentage at present in force, namely, 10 per cent; I think if Mr. Fisher sees the matter in this light he would make no objection.

5. In my opinion, from reading the order the Government of India will be prepared to accept the 2½ percentage on Revenue cash outlay, when the Capital outlay is likely to reach the amount represented in Mr. Fisher's letter.

From the Agent and Manager of the Carnatic Railway, to the Consulting Engineer for Railways, dated Madras, 16th November 1872, No. 635.

In returning the memorandum by the Government Examiner, No. 645, dated the 14th instant, enclosed with your letter No. 301 of the same date, I have the honour to state that Captain Moberly's memorandum does not appear to be in accordance with Clause 2 of the letter from the Secretary to the Government of India, Public Works Department, (Account—Railway), to the Secretary to the Government of Madras, dated Simla, 25th October 1872, upon which the Government Order, No. 2,609, dated 6th instant was passed.

2. As stated in my letter No. 627 of the 12th instant the effect of that order, according to my reading of it, would be to increase the Revenue proportion of general charges from 10 to 34 per cent., as shown in the accompanying memorandum.

3. From Captain Moberly's reading of the clause under reference, it would appear that the Government of India intended that the division should be based upon the Revenue outlay, plus Revenue earnings, in the proportion of the *estimated* Capital outlay during the next four years; if that interpretation is the correct one, the result would be as under, namely :—

	Rs.	A.	P.
Working Expenses, half-year ending June... ...	10,361	9	11
Less General Charges	2,629	15	3
	7,731	10	8
For one year...	15,463	5	4
Gross Earnings for half-year ending June, Rupees 19,955-8-5 for one year...	39,911	0	10
Total ...	55,374	6	2
Estimated Capital outlay for one year	18,00,000	0	0
Total ...	18,55,374	6	2

Capital proportion 97 per cent.
Revenue do. 3 do.

If this is the intention of the Government, I shall have no objection to the arrangement, but I think it should be understood that when works of construction actually commence, the Revenue proportion of these charges should be further reduced as previously proposed.

Proceedings of the Madras Government, Public Works Department, 9th December 1872.

MEMORANDUM.

	Rs.	A.	P.
Working Expenses, half year ending June 1872 ...	10,361	9	11
Less General Charges...	2,629	15	3
	7,731	10	8
For one year...	15,463	5	4
Gross Earnings, half-year ending June 1872, Rupees 19,955-8-5 for one year...	39,911	0	10
Total...	55,374	6	2
Capital outlay for one year, say	1,08,000	0	0
Total...	1,63,374	6	2

Capital proportion, say 66 per cent.
Revenue do. say 34 do.

MADRAS,
16*th November* 1872.

(Signed) J. T. FISHER,
Agent and Manager.

No. 180. ORDER THEREON, 9th December 1872, No. 2,902.

RAILWAY, No. 37.

ORDERED that these papers be submitted to the Government of India for such explanation of their instructions in paragraph 2 of letter of 25th October 1872, No. 1,484 A. R., as will remove the doubts at present entertained as to the system of apportionment to be adopted.

(True Extract.)

Colonel, R.E.,
Secretary to Government.

To the Consulting Engineer for Railways.

Ex1. E. C. Shunke r.

Carnatic Railway Company, Limited,

AGENT'S AND MANAGER'S OFFICE,

MADRAS, 16th November 1872.

No. 635

From

I I Fisher Esqre
Agent and Manager
Carnatic Railway

To

Lieut Col: I H W Shaw Stewart R E
Consulting Engineer for Railways
Madras

Sir

In returning the Memorandum by the Govt Examiner No. 645 dated the 14th Instant enclosed with your letter No. 301 of the same date I have the honor to state that Captain Moberly's Memorandum does not appear to be in accordance with Clause 2 of the letter from the Secretary to the Govt of India P W D (a/c Ry) to the Secretary to the Govt of Madras, dated Simla 25th October 1872, upon which the Govt order No. 2609 dated 6th Instant was passed.

As stated in my letter No. 627 of the 12th Instant the effect of that order according to my reading of it would be to increase the Revenue proportion of General charges from 10 to 34 per Cent, as shewn in the accompanying Memorandum.

From Capt. Moberly's reading of the clause under reference, it would appear that the Govt of India intended that the division should be based upon the Revenue outlay, plus Revenue earnings, in the proportion of the estimated Capital outlay during the next four years; if that interpretation

interpretation is the correct one, the result would be as under viz:-

Working Expences half year ending June	10361.9.11
less General charges	2629.15.3
	7731.10.8
for one year	15463.5.4

Gross earnings for half year ending June
19,955.18.5 for one year 39911.0.10

55374.6.2

estimated Capital outlay for one year 18,00,000.0.0

1855374.0.0

Capital proportion 97. per cent
Revenue do 3 do

If this is the intention of the Govt I shall have no objection to the arrangement, but I think it should be understood that when works of construction actually commence the reminder proportion of these charges should be further reduced as previously proposed.

I have the honor to be
Sir
Yours most obedient Servt
Jos. T. Fisher
Agent and Manager

Carnatic Railway Company, Limited,

Agent's and Manager's Office,

Madras, 12th November 1872

No. 627

From

I. I. Fisher Esqre
Agent & Manager
Carnatic Railway Co.

To

The Consulting Engineer for Railways.
Madras.

Sir.

I have the honor to acknowledge the receipt of your letter No. 294. dated the 11th Inst. enclosing G.O. No. 2609 dated the 6th Inst. on the subject of the apportionment of General charges between Capital & Revenue.

2. I am not sure that I correctly interpret the suggestion of the Govt. of India conveyed in para 2 of the letter from the Secretary to the Govt. of India Public Works department (Account Railway) to the Secretary to the Madras Govt. dated Simla 26th October 1872. No. 1484. a R. but if it is intended to add the Amount of the Revenue earnings, to the Revenue outlay, and then to divide the general charges in the ratio of this amount to that of the Capital outlay, it will have the effect of very largely increasing the Revenue proportion of these charges - and seeing that the proportion heretofore charged to the Revenue a/c has been felt to unduly prejudice it, any change which has the effect of increasing instead of diminishing the proportion so chargeable cannot be viewed satisfactorily by the Govt.

3

From
The Agent & Manager
Carnatic Railway Co.

To
The Consulting Engineer
for Railways
Dated 12th Nov 1872
Rec'd 14th Nov 1872
No. 627

In reply the attention
Agent & Manager's
P. R. 5722 2.

3. As the Capital outlay is however expected to be largely increased at an early date, I would submit that the Govt. may be pleased to defer any change in our present arrangements until works of construction are actually commenced.

I have the honor to be,
Sir,
Your most Obt. Servant

W. T. Fisher
Agent & Manager

Memo.

Working Expences. Half year ending June 1872.	Rs	10361. 9. 11
Less		
General Charges		2629. 15. 3
		7731. 10. 8
for one year	Rs	16463. 5. 4
Gross Earnings Half year ending June 1872.		
Rs 19955. 8. 5 for one year	Rs	39911. 0. 10
Total	Rs	56374. 6. 2
Capital outlay for one year say.	Rs	108000. 0. 0
		164374. 6. 2

Capital propn say 66%
Revenue do say 34%

Madras
16 November 1872.

J. T. Fisher
Agent & Manager

From The Agent & Manager
Carnatic Railway Co.
To The Secretary to Govt
for Public Works.

Dated 12th Nov.
Rec'd 13. " 1872
No 827.

Statistics & the
Advertisement of Rail
Charges between Cuddalore and
Arcotnee

Railway Department. CONSULTING ENGINEER'S OFFICE,

No. 634

From

LIEUT.-COLONEL J. H. M. SHAW STEWART, R.E.,

Consulting Engineer for Railways,

To

COLONEL C. W. WALKER, R.E.,

Secretary to Government,

Public Works Department,

Fort Saint George.

SIR,

With reference to the Order of Government No 2609 dated 6th November 1872, I have the honour to submit the correspondence marginally noted and to request the orders of Government as to the correct interpretation of paragraph 2 of the letter from the Government of India.

2. The Agent of the

× From Agent Carnatic Railway No 627 dated 12th Nov/72

From Examiner No 645 dated 16th Nov/72

From Agent C. R. No 636 dated 16th Nov/72

No 1484 A.R. dated 25th October 1872.

Carnatic Railway states that the effect of the instructions therein contained, according to his reading of them, would be to increase the Revenues proportion of "general charges" from 10 to 34 percent; while the Examiner shows that the apportionment which in his opinion the Government of India intended to suggest will have the effect of bringing the Revenues proportion of general charges below that at present in force viz: 10 percent.

3. The construction placed by the Agent upon the wording of the letter from the Government of India is perhaps literally correct; but if that letter be read in conjunction with the previous one dated the 17th June 1872, it seems to me impossible that the Government of India could have intended to suggest a reversion to the old system of dividing the general charges between Capital and Revenue upon the basis of the outlay on the two accounts.

† No 798 A.R. Vide G.G. dated 5th July 1872 No 1624.

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

Madras 19th Nov 1872

Wm. Maxwell Lyell Coll (Sd)

Cons: Engr for Railways

Vide 5 July 72 No 114-115
6 Rev V. — 86-87

P. W. 1872 Letters

RAILWAY DEPARTMENT.

1872.

From No 5723.

The Consulting Engineer
for Railways,

To

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

Dated 19th November 1872.
Recd. 20th

Encl 4.

No. 634

No 2902-9 Dec 72

Regarding the order of Government as to the correct interpretation of the expression of the Secretary of India with reference to the proposed formation between Beach & Pondicherry

Dated 16th Dec 1872 No 2902 Q.
From the Chief Engineer for Railways.
To the Secretary to Government P. W. Department Fort St George.
Encl 4 papers as noted in the margin.
Regarding the order of Government as to the correct interpretation of the expression of the Secretary of India with reference to the proposed formation between Beach & Pondicherry

Recd 19th Dec 1872
Copy of the above forwarded to the Secretary of State.
Ellis

Cir 5723

Govt. of [illegible] Madras

PUBLIC WORKS.

To The Consulting Engineer for Railways

Dated

Rec'd.

Encl.

" 9th Decr 1872 2902.

Nos. 179-180 & 181

Forwarding Copy of Rr. on letter from the Govt. Engr. requesting instructions in the subject of the Apportionment of the General Charges between Capital & Revenue of the Carnatic Railways —

Forwarding orders on letter from the Govt. Engr. requesting instructions in the subject of the Apportionment of General charges between Capital and Revenue of Carnatic Railways.