

*Proceedings of the Madras Government, Public Works Department,  
4th November 1875.*

No 95 Read the following letter from Lieutenant-Colonel J. H. M. SHAW-STEWART, R E, Consulting Engineer for Railways, to Major-General G W WALKER, R E, Secretary to Government, Public Works Department, dated Madras, 29th October 1875, No. 584 —

With reference to the Proceedings of Government, No 2,728, dated 21st September 1875, I have the honor to submit two letters from the Agents of the Madras and the South Indian Railways, explaining what is the practice followed on their respective lines as regards security required from Station-masters and other servants holding positions of trust

2 On the Madras Railway all Station-masters and clerks, whose duties require them to collect money for the Company, pay a deposit of Rupees 500 on appointment, and on promotion to important stations the amount is increased to Rupees 1,000.

\* Form herewith enclosed The employé is further required to sign an Agreement\* binding himself to a faithful performance of his duty, or in default thereof authorizing the appropriation of his deposit to the extent of the loss sustained by the Company. The interest on the amount deposited is paid to the employé

3 The Traffic Manager writes that guards and head porters drawing Rupees 12 and upwards per mensem are also required to find security by a payment of 10 per cent of their salaries, and when the deduction amounts to Rupees 500 it is invested in Government Paper or in the Government Savings' Bank, and the interest paid to the depositor half-yearly

4 On the South Indian Railway also security is taken from employés who are concerned in the receipt from the public of traffic earnings, or who have valuables passing through their hands In the Traffic Department each clerk deposits guarantee to the extent of a year's pay, a moiety being paid on entering the service and the remainder deducted at 10 per cent from the salary monthly Every such person finding security also signs an indemnity bond making himself liable for all losses, costs, damages, &c, which the Company may directly or indirectly sustain by reason of, or in consequence of any or every breach or non-performance of duty on his part.

5 The systems obtaining on both Railways are said to have worked very satisfactorily, and there is nothing that I can suggest for their improvement, although there can be no doubt that in some cases a certain amount of hardship is experienced by the employés in complying with these terms The suggestions made by the Chief Auditor of the South Indian Railway, with a view to meet this objection by a system of mutual guarantee, have not met with the concurrence of the Board of Directors

From R B. ELWIN, Esq, Agent and Manager of the Madras Railway Company, to Lieutenant-Colonel J H M SHAW-STEWART, R E, Consulting Engineer for Railways, dated Madras, 15th October 1875, No 1,075

With reference to your letter of the 7th instant, No 1,090, I have the honor to enclose you a copy of the Traffic Manager's letter, No C/1111, of the 12th instant, in which he explains what the practice is on this line with regard to the security required from Station-masters and other servants holding positions of trust.

*Proceedings of the Madras Government, Public Works Department,  
4th November 1875.*

2 The Agreement referred to by Mr Church, a copy of which is enclosed, was introduced because we had some difficulty in recovering the amount of losses and claims from the securities of employes, especially after the latter had left the service. Each Agreement is stamped, and gives the Company power to recover any claim which can be proved. Since the introduction of the Agreements the system has worked very well.

From H E CHURCH, Esq, Traffic Manager, to R B ELWIN, Esq, Agent and Manager of the Madras Railway Company, dated Madras, 12th October 1875, No C/1111

CONSULTING Engineer's letter No 1,090, dated 7th instant

2 All Station-masters and clerks, whose duties empower them to collect money for the Company, are required to deposit, on appointment, security to the extent of 500 Rupees in Government Paper, and on promotion to important stations to increase the amount to 1,000 Rupees. The interest on this money is paid to the depositor half-yearly, and the employe is required to sign the accompanying form of Agreement.

3. Guards and head porters, drawing 12 Rupees and upwards, are also required to find security by a payment of 10 per cent of their salaries, and when this deduction amounts to Rupees 500 it is invested in Government Paper, or in the Government Savings' Bank, and the interest paid to the depositor half-yearly.

4 The system has been attended with the best results so far as the Company is concerned, in making all classes of servants more careful in the discharge of their duty, and in the case of guards, I have reason to know that the compulsory payment makes a provision for their families in the event of death which would probably not otherwise be made.

From D LOGAN, Esq, Acting Agent, South Indian Railway, to Lieutenant-Colonel J H M SHAW-STEWART, RE, Consulting Engineer for Railways, dated Trichinopoly, 21st October 1875, No 921

In compliance with your No 670, of the 7th instant, I have the honor to inform you that the Traffic Manager records his views as follows —

"In this department each clerk, no matter what may be his position, deposits guarantee to the extent of a year's pay, a portion, say half of the amount, paid on entering the service and the remainder deducted at the rate of 10 per cent from the pay monthly.

"This system has been found to work very satisfactorily on this line for several years past."

I also invited the opinion of the Chief Auditor, whose attention I know has been directed to the study of the question, and as these embody generally my own opinion, I subjoin them without further remark.

"It is customary on this line for employes to find security (when required) in cash. This is done in two ways, either by a deposit of the sum fixed, or by deductions of 10 per cent. from the employe's salary till a certain amount is paid. Interest is allowed upon these deposits, and deductions at the rate of 3 per cent per annum derived from the investment in Government Promissory Notes of a certain portion of the amount held on this account by the Company; as a rule (though the exceptions are numerous) the minimum amount of security required is equivalent to twelve months' salary, and is not confined to that portion of the staff only who are concerned in the receipt from the public of traffic earnings, or who have valuables passing through their hands. Engine drivers, storekeepers, tool-keepers, &c, equally with clerks in the Traffic Department and those employed in the head offices, have to furnish security to some extent.

"I have heard of no complaints regarding this system, but I do not think it sufficiently protects the interests of the Company, and in some cases bears hard upon the employes. Looking to the classes from amongst whom the majority of our employes are drawn, the requirement of a deposit before entering the service obliges many to raise the requisite amount on loan. In writing to Mr Betts in November last upon this subject, I pointed out in what I considered the disadvantage of the guarantee system as at present constituted mainly consisted, and the

*Proceedings of the Madras Government, Public Works Department,  
4th November 1875*

remedy which appeared to me likely to remove or palliate them. In comparing the deposit and the contribution made of finding security, I said, in the one case it forces the majority of employes to borrow the sum required at extravagant rates of interest, and in the other leaves the Company comparatively unprotected until such time as length of service itself forms in some measure a protection. It appears to me that the utility of the fund consists in its protection being immediate and not prospective, and this is defeated when for months and it may be years the security held by the Company is but a small proportion of the amount deemed necessary for the post. At the same time, in the interests alike of the Company and the employes, the guarantee required should be provided in a measure as little burdensome to the latter as possible.

"To meet these objections, I proposed that our fund should be formed upon a mutual system, that every member of the service should upon entering become a subscriber to this fund, which should guarantee the Company against all losses caused by or through members, that the rate of subscription should be as at present, 10 per cent of the pay, and that when any individual's subscription (less any proportion which might have been deducted therefrom on account of losses paid by the fund) amounted to a sufficient sum to secure the Company against loss that might be caused by him personally, the fund should place that amount to such employe's credit, and he should be allowed that rate of interest which investment in Government securities might recur to the Company. I did not put forth this scheme as a perfect one, but as pointing to the way in which two ends were likely to be attained, viz, immediate and tangible security to the Company, and that obtained at the least future cost to the employe. The subject was sent home for the consideration of the Board, who, however, were not prepared with the information before them, to disturb the present constitution of this Company's Fund.

"I may add that from every person finding security either by a deposit or by deductions from his pay, is taken a bond of indemnity authorizing the Company to retain such subscriptions or contributions to the guarantee fund, or so much thereof as the Company may deem necessary \* \* \* as liquidated damages for all losses, costs, damages or expenses they may directly or indirectly sustain by reason, or in consequence of, any or every breach or non-performance of duty on the part of the employe concerned."

No 96

ORDER THEREON, 4th November 1875, No 3,136

RAILWAY, No 18

ORDERED that these papers be forwarded for the information of the Government of India

(Here enter No 3,137, dated 4th November 1875)

(True Extract.)

Major-General, R E,  
Secretary to Government

To the Consulting Engineer for Railways

Exd S T Austin.  
Spare Copies

PUBLIC WORKS DEPARTMENT,  
FORT ST GEORGE, 4th November 1875

No 97.

No 3,137.

FROM

MAJOR-GENERAL G W. WALKER, R E,  
*Secretary to the Government of Madras,*  
*Public Works Department,*

TO

THE SECRETARY TO THE GOVERNMENT OF INDIA,  
*Public Works Department*

RAILWAY, No 19

SIR,—I am directed to acknowledge the receipt of your letter, No 2,256 R, dated 10th September 1875, and in reply to

forward the accompanying papers which explain the practice followed on the Railways in Madras as regards security being taken from Station-masters and other servants holding positions of trust. The system adopted is reported to have worked well in the case of each of the Railways concerned, and His Excellency the Governor in Council is unable to suggest any improvement

I have the honor to be,

Sir,

Your most obedient servant,

Major-General, R E,  
*Secretary to Government.*

Exd S T. Austin

Spare Copies

THE SECRETARY OF THE GOVERNMENT  
C. INI II

$\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$

10

7

Q Q, 416.400.1120, 27.12.17

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

1990

$$b \frac{1015}{1424}$$

Madras Railway  
Traffic Manager's Office  
12 October 1875

The Agent and Manager  
Madras Railway Company

Dear Sir

## Employee's Security

consulting Engineers' letter, No 1090, dated  
7<sup>th</sup> instant

All Station Masters and clerks whose duties empower them to collect Money for the Company, are required to deposit, on appointment, Security to the extent of 500 Rupees in Government paper, and on promotion to important Stations to increase the amount to 1000 Rupees. The interest on this money is paid to the Depositor Half yearly, and the employé is required to sign the accompanying form of Agreement.

12 Rupees and upwards are also required to find security by a payment of 10 per cent of their salaries, and when this deduction amounts to Rupees 500 it is invested in Government paper, or in the Government Savings Bank, and the interest paid to the Depositor Half yearly

The system has been attended with the best results so far as the company is concerned in making all classes of servants more careful in the discharge of

their duty, and in the case of guards, I have reason to know that the compulsory payment makes a provision for their families in the event of death which would probably not otherwise be made.

Yours faithfully  
(Signed) H. C. Church  
Traffic Manager  
(True copy)

Agent and Manager

No. 721

South Indian  
GREAT SOUTHERN OF INDIA RAILWAY.

AGENTS' OFFICE,

Trichinopoly,  
NEOUPATAM, 21<sup>st</sup> October 1875

From

Acting  
THE AGENT,

South Indian  
Great Southern of India Railway,

To

The Consulting Engineer for Railways  
Madras

SIR,

In compliance with your No. 640 of the 2<sup>nd</sup> instant, I have the honor to inform you that the Traffic Manager's records his views as follows:-

"In this Department each clerk no matter what may be his position deposits guaranteed to the extent of a year's pay, a portion say half of the amount paid on entering the service and the remainder deducted at the rate of 10% from the pay monthly."

"This system has been found to work very satisfactorily on this line for several years past."

I also invited the opinion of the Chief Auditor, whose attention I know has been directed to the study of the question, and as these embody generally my own opinion, I submit them without further remark.

"It is customary on this line for employees to find security (when required) in cash. This is done in two ways either by a deposit of the sum fixed, or by deductions of ten per cent. from the employee's salary till a certain amount is paid. Interest is allowed upon these deposits & deductions at the rate of 3% per annum derived from the investment in Govt. Promissory notes of a certain portion of the amount held on this account by the Company, as a rule (though the exceptions are numerous) the minimum amount of security required is equivalent to twelve months salary & is not confined to

Agent and Manager

"that portion of the staff only, who are concerned in the receipt from the public of traffic earnings, or who have valuable pass-  
ing through their hands" Engine Drivers, Stationers, Ticket Collectors  
or equally with clerks in the Traffic Department and those  
employed in the head Offices have to furnish Security to some  
extent."

"I have heard of no complaints regarding this system, but  
I do not think it is sufficiently protective of the interests of the Compa-  
ny, & in some cases bears hard upon the employees. Looking to the  
classes from amongst whom the majority of our employees are  
drawn, the requirement of a deposit before entering the service  
might mean to raise the requisite amount on loan. In writing  
to Mr. Pells in November last upon this subject, I pointed out  
in what I considered the disadvantage of the Guarantee system  
as at present constituted, mainly consisted, & the remedy which  
appeared to me likely to remove or palliate them. In comparing  
the deposit & the contribution made of funding Security, I said  
in the one case it forces the majority of employees to borrow  
the sum required at extravagant rates of interest, & in the other  
leaves the Company comparatively unprotected until such time  
as length of service itself forms in some measure a protection.  
It appears to me that the utility of the fund consists in its  
protection being immediate and not prospective, & this is defeat-  
ed when for months & it may be years, the security held by  
the Company is but a small proportion of the amount deemed  
necessary for the post. At the same time in the interest-  
ability of the Company & the employees, the guarantee required  
should be provided in a measure as little burdensome to the  
latter as possible."

"To meet these objections I proposed that our fund should  
be formed upon a mutual system, that every member of the  
service should upon entering become a subscriber to this fund  
which should guarantee the Company against all losses caused  
by or through members, that the rate of subscription should be as  
low as the present of the fund & that when any individual  
is dismissed

subscription (less any proportion which might have been  
deducted therefrom on account of losses paid by the fund)  
amounted to a sufficient sum to secure the Company against  
loss that might be caused by him personally, the fund should  
place that amount to such employers credit & he should be  
allowed that rate of interest which investment in Government  
Securities might earn to the Company. I did not put forth  
this scheme as a perfect one, but as pointing to the way in which  
his ends were likely to be attained viz immediate & tangible  
Security to the Company, & that obtained at the least future  
cost to the employee. The subject was sent home for the consider-  
ation of the board, who however were not prepared with the  
information before them, to alter the present constitution of  
this Company's fund."

"I may add that from every person funding Security  
either by a deposit, or by deductions from his pay, is taken  
a bond of indemnity authorizing the Company to retain such  
Subscriptions or Contributions to the Guaranteed Fund or so  
much thereof as the Company may deem necessary & as  
as liquidated damages for all losses, costs, damages or  
expenses they may directly or indirectly sustain by reason,  
or in consequence of any or every breach or non-perform-  
ance of duty on the part of the employee concerned."

I have the honor to be  
Sir,

Yours most Obedient Servant

Francis Smith  
for Acting Agent

Agent and Manager

No. 1075

MADRAS RAILWAY.

AGENT AND MANAGER'S OFFICE,

Madras, 15 October 1875

From

Robert B Edwin Esq.

Agent and Manager. M R Company

To

Lieut Colonel J A Mc Innes Stewart R.E.

Consulting Engineer for Railways.

Sir,

With reference to your letter of the 7<sup>th</sup> instant, N<sup>o</sup> 1090, I have the honor to enclose you a copy of the Traffic Manager's letter N<sup>o</sup> 8/1015/1424 of the 12<sup>th</sup> instant, in which he explains what the practice is on this line with regard to the security required from station masters and other servants holding positions of trust.

2. The Agreement referred to by Mr. Church, a copy of which is enclosed, was introduced because we had some difficulty in recovering the amount of losses and claims from the securities of employes, especially after the latter had left the service. Each Agreement is stamped, and gives the Company power to recover any claim which can be proved. Since the introduction of the Agreements the system has worked very well.

I have the honor to be  
Your most obedient servant  
Robert B Edwin  
Agent and Manager

now  
all the  
the following  
J. S. McInnes

all the  
the following  
J. S. McInnes

all the  
the following  
J. S. McInnes

11/1/75

RAILWAY DEPARTMENT

CONSULTING ENGINEER'S OFFICE

Madras, 29<sup>th</sup> Oct 1875.

No. 584

From

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

Consulting Engineer for Railways,

To

MAJOR-GENERAL G. W. WALKER, R.E.,

Secretary to Government,

Public Works Department,

Fort Saint George.

Sir,

With reference to the  
Proceedings of Government No. 2728  
dated 21<sup>st</sup> September 1875, I have the  
honour to submit two letters from  
the Agents of the Madras and the  
South Indian Railways explaining  
what is the practice followed on  
their respective lines as regards security  
required from station masters and  
other servants holding positions of  
trust

2.

On the Madras  
Railway

MADRAS RAILWAY

From

The Agent and Manager

To

The Consulting Engineer

for Railways

Dated

13<sup>th</sup> October 1875

Recd

No. 1875

Regarding searches  
conducted from time  
to time in the  
Department.

29<sup>th</sup> October 1875  
J. H. M. Shaw-Stewart

Mr. Col. Walker  
29<sup>th</sup> Oct 1875

176956/95  
3/95

Railway all station masters and clerks whose duties require them to collect money for the Company pay a deposit of Rs 500 on appointment, and on promotion to important stations the amount is increased to

Rs 1000. The employee is further required to sign an agreement — binding himself to a faithful performance of his duty, or in default thereof authorising the appropriation of his deposit to the extent of the loss sustained by the Company. The interest on the amount deposited is paid to the employee.

3 The Traffic Manager writes that guards and head porters drawing Rs 12 and upwards per

\*  
from herewith  
enclosed.

messen are also required to find security by a payment of 10% of their salaries and when the deduction amounts to Rs 500 it is invested in Government paper or in the Government Savings Bank and the interest paid to the depositor half yearly.

4. On the South Indian Railway also security is taken from employees who are concerned in the receipt from the public of traffic — earnings or who have valuables — passing through their hands — In the Traffic department each clerk deposits Guarantee to the extent of a year's pay, a moiety being paid on entering the service and the remainder deducted at 10% from the salary monthly. Every such

such person finding security also signs an indemnity bond making himself liable for all losses, costs, damages, &c. which the Company may directly or indirectly sustain by reason of or in consequence of any or every breach or non-performance of duty on his part.

5. The systems obtaining on both railways are said to have worked very satisfactorily and there is nothing that I can suggest for their improvement, although there can be no doubt that in some cases a certain amount of hardship is experienced by the employees in complying with these terms. The suggestions

suggestions made by the Chief Auditor of the South Indian Railway with a view to meet this objection by a system of Mutual Guarantee have not met with the concurrence of the Board of Directors.

I have the honour to be  
Sir  
Your most obedient Servant  
W. S. S. R. E. J. Captain  
for Com. Engineer for Railways

No 3136 Public Works Dept.

Proceedings of the Madras Government  
Under date the 4 Novr 1875  
Read the following

From  
The Chief Eng<sup>r</sup> for  
Railways (No. 584 of 29<sup>th</sup> Octr 1875)

Ordered that these  
papers be forwarded  
for the information of  
the Gov<sup>t</sup> of India

(No. 3137 of 14 Nov 75)  
N. 3137  
To the Gov<sup>t</sup> of India  
Public Works Dept

I am directed to  
acknowledge the receipt  
of

Chief Eng<sup>r</sup> for Ry. 21/11/75  
Disty 12

882145 of 17/11/75 No 489-490

O. W. 1875 Repl.

RAILWAY DEPARTMENT.

From  
The Consulting Engineer  
for Railways,

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

Dated 29 Octbr 1875  
Recd 26  
No 584

Submitting Letter

From the Agents of the  
Madras and P. W. Railway  
explaining what is  
proposed to be done with  
the line as to the  
early opening of the  
from Station to Station

En 2-11-75

of your letter No. 22562  
dated 10<sup>th</sup> September 1875  
and in reply to forward  
the accompanying papers  
which explain the practice  
followed on the Railways  
in Madras as regards  
security being taken  
from Station Masters and  
other servants holding  
positions of trust. The  
system adopted is reported  
to have worked well in  
the case of each of the  
Railways concerned, and  
His Excellency the Governor  
in Council is unable to  
suggest any improvement.

Yours

1495-97

1 sc of previous No  
sc of No. 3137 with  
a Agreement in  
normal  
- 17-11-75

2nd of original  
presented.

6990

Govt. of 1875 Madras  
PUBLIC WORKS.

To  
Consp. Engg for Rep.  
Govt of India

Date

Issued

R

G. O. *Howe* 1875, No 2156-5137

Nov. 9

97

Forwarding letters from the  
Agents Messrs P. S. & Co  
intimating the practice followed  
by them regarding the security  
taken from Cotton Market  
Bar. Line & Good Luck etc.

Security taken from Cotton Market,  
Bar. Line & Good Luck etc.  
Forwarding letters from the Agents  
Messrs P. S. & Co. intimating  
practice followed in this line  
is as follows — It is to be  
forwarded in the form of  
a book.