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(3) Initials of the Referencer_____

MADRAS RECORD OFFICE

Government of Madras

Public Works DEPARTMENT

G.O. No. 2564 Press Original
B.P. No.— Mis.—

Dated 26-9-1876 -195—

Not to be folded or roughly handled

No 425 Read the following letter from Major C J. SMITH, R E, Officiating Consulting Engineer for Railways, to Major-General G W WALKER, R E, Secretary to Government, Public Works Department, dated Madras, 9th September 1876, No 451 —

I HAVE the honor to communicate, for the decision of Government, a proposal* of the Directors of the South Indian Railway Company that the cost of the construction of the temporary bridge in the bed of the Palar river should be charged to the Capital Account Paragraph 3 of letter from the Government of India, No 193 A R, dated 15th March 1871, appears to me to meet the case in point and to permit no other interpretation but that suggested by this office

* Agent's letter, No 2,089, dated 19th August 1876, with enclosure

2. The bridge in question has been constructed solely to enable the line to be opened the sooner and the revenue receipts to be increased, and if the cost be charged to the Capital Account now, a corresponding recovery and debit to the Revenue Account will be necessary on the completion of the permanent bridge

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From W S. BETTS, Esq , Agent of the South Indian Railway, to Major C J SMITH, R E., Officiating Consulting Engineer for Railways, dated Negapatam, 19th August 1876, No 2,089

I COMMUNICATED to my Directors the purport of your letter, No 647, of the 20th of June last, in which you state that, in your opinion, the cost of the temporary roadway across the bed of the river Palar should form a charge against Revenue, and I now beg to submit, for the consideration of Government, the views of the Board on the subject.

SOUTH INDIAN RAILWAY .

Extract from Board's letter, dated London, 28th July 1876, No 97.

Temporary Roadway across the Palar.

THE Directors are of opinion that the estimated cost (Rupees 5,000) of constructing the temporary roadway across the bed of the river Palar should be charged to Capital This would appear to be in strict accordance with the principle laid down in India Office Despatch, Railway, No 17, 9th March 1864, paragraph 8, of which is to the effect "that there can be no doubt that the expense * * * of the original construction of any work including that of those intended to be only temporary * * * ought to be charged to Capital Account"

In Government of India letter addressed to the Government of Madras, Public Works Department, dated 15th March 1871, No 193 A R, commenting upon the despatch above referred to, the following remark occurs —"The apparent intention of the Secretary of State was to say that if for the purpose of opening a railway * * * it is found to be expedient to construct a temporary work or building in preference to a permanent one, then such temporary work or building may be properly charged to Capital But the necessary consequence would be that when occasion arose for the provision of the permanent structure, the difference of cost between the permanent and temporary building would alone be passed to Capital, the residue being a debit to Revenue as it would in fact represent the cost of the renewal of the structure which of course falls on Revenue"

It is probably upon this ruling that the Consulting Engineer for Railways has stated that the "cost of the temporary roadway across the bed of the river Palar should form a charge against Revenue"

Proceedings of the Madras Government, Public Works Department,
26th September 1876. No. 2,564

It must be observed, however, that in the present instance the temporary work is undertaken not in "preference to" a permanent one, but as auxiliary thereto, the object being to permit of Capital being made productive at an earlier period than would otherwise be the case were the opening of the line delayed until the permanent bridge has been completed. As therefore Capital is benefited by the expenditure on the temporary work in question, it appears to the Board that the cost should be charged to Capital under the terms of the despatch of Sir Charles Wood already alluded to

It may be urged that the passing of this expenditure to the debit of Revenue would be a distinct benefit to the Company, as it does not at present earn the amount of the interest guaranteed, and therefore the cost would actually be borne of by the State and not by the Railway As a matter of principle, however, and as the Board hope that at no distant date the line will earn more than the amount of interest guaranteed on the Capital embarked in its construction, the Directors as already stated consider that the cost of this temporary work should be definitively charged against the Capital Account.

(True Extract)

NEGAPATAM, 19*th August* 1876.

(Signed) W S BETTS,
Agent

No 426. ORDER THEREON, 26th September 1876, No. 2,564

RAILWAY, No 44

HIS GRACE the Governor in Council cannot see any good grounds for charging to Capital the cost of the temporary road-way across the Palar The permanent-way materials may be borrowed from stock, and replaced when the temporary roadway has been superseded. The cost of labor is clearly chargeable to Revenue Any other mode of charging would result in Capital paying for two roads across the Palar

(True Extract)

(Signed) G W WALKER, Major-General R E,
Secretary to Government

To the Consulting Engineer for Railways
" Examiner of Railway Accounts

No 2087 GREAT SOUTHERN OF INDIA RAILWAY.

AGENT'S OFFICE,

NEGAPATAM, 19th August 1876

From

THE AGENT, South Indian
Great Southern of India Railway,

To

The Consulting Engineer for Railways
Madras.

SIR,

I communicated to my Directors the purport of your letter No 647 of the 20th of June last, in which you state that in your opinion the cost of the temporary road-way across the bed of the River Palar should form a charge against Revenue, and I now beg to submit for the consideration of Government, the views of the Board on the subject

I have the honour to be
Sir
Your Most Obedient Servant
Williams Betts
Agent

South Indian Railway

Extract from Board's letter dated London 28th July 76. No 97

Temporary Road-Way across the Palar.

The Directors are of opinion that the estimated cost (Rs 5000) of Constructing the temporary road way across the bed of the River Palar should be charged to Capital This would appear to be in strict accordance with the principle laid down in India Office Despatch Railway No 17 9th March 1864, Paragraph 8 of which is to the effect "that there can be no doubt that the expence x x x of the original construction "of any work including that of those intended to be only temporary x x x ought to be charged to Capital Account"

In Government of India Letter addressed to the Government of Madras P.W.D. dated 15th March 1871 No 193 A-R, commenting upon the Despatch above referred to the following remarks occur. "The apparent intention of the Secretary "of State was to say that as for the purpose of opening a "Railway x x x it is found to be expedient to construct "a temporary work or building in preference to a permanent "one then such temporary work or building may be properly "charged to Capital. But the necessary consequence would be "that when occasion arose for the provision of the permanent "structure, the difference of cost between the permanent and "temporary building would also be passed to Capital the "resultue being a debit to Revenue as it would in fact represent "the cost of the renewal of the structure which of course falls "on Revenue"

It is probably upon this ruling that the Consulting Engineer for Railways has stated that the cost of the temporary "road-way across the bed of the River Palar should form "a charge against Revenue"

It must be observed however that in the present instance the temporary work is undertaken not in preference to a permanent one, but as auxiliary thereto the object being to

From The Agent S.I.R.
To The Consulting Engr for Railways Madras
Dated 19th August 1876
Rec'd 21 August 1876
No 2889

Regarding the succedence of cost for temporary road across the bed of the River Palar.

P.W.D.
11 SEP 76
No 6592
1

to permit of Capital being made productive at an earlier period than would otherwise be the case were the opening of the Line delayed until the Permanent Bridge has been completed And therefore Capital is benefited by the expenditure on the temporary work in question, it appears to the Board that the cost should be charged to Capital, under the terms of the Despatch of Sir Charles Wood already alluded to

It may be urged that the passing of this expenditure to the debit of Revenue would be a distinct benefit to the Company as it does not at present earn the amount of the Interest guaranteed and therefore the cost would actually be borne by the State and not by the Railway As a matter of principle however, and as the Board hope, that at no distant date the Line will earn more than the amount of Interest guaranteed on the Capital embarked in its construction, the Directors as already stated consider that the cost of this temporary work should be definitively charged against the Capital Account.

I have &c
(Sgnd) Extract)
William A Bliss.
Agent

Agent's Office
Vizagapatam
19 August 1876

TM

RAILWAY DEPARTMENT. CONSULTING ENGINEER'S OFFICE,

Madras, 9th Sept 1876.

No. 457

From Major C.J. Smith R.E.
~~Lieut. Colonel J. H. M. SHAW-STEWART, R.E,~~
Offg. Consulting Engineer for Railways,

To

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

SIR,

I have the honour to communicate for the decision of Government a proposal of the Directors of the South Indian Railway Company that the cost of the construction of the temporary bridge in the bed of the Palar River should be charged to Capital Account. Paragraph 3 of letter from the Government of India No. 193 A.R. dated 15th March 1871 appears to me to meet the case in point and to permit no other interpretation, but that suggested by

† Agent's letter No 20899 19th Aug 1876 with enclosure

by this office.

The bridge in question has been constructed solely to enable the line to be opened the sooner and the Revenue receipts to be increased and if the cost be charged to the Capital Account now, a corresponding recovery and debit to the Revenue Account will be necessary on the completion of the permanent bridge.

I have the honour to be,

Sir,

Your most Obed Servant,

C Smith Mayor &c

W J Jones Secy for Railways

G.O. 4th April 1870 No 938 & 939
" 30th March 1871 No 946

P.W.D.
11 SEP 76
No 6592

Public Works Department.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Under date the

Read the following —

From

The Consg Engr for Railways } (H.C. No 451 dd 9th Septr 1876)

Ordered to be forwarded for the decision of the Government of India.

(H.C. No dd

To, The Secy to the Govt of India

Sir,

I am directed to forward the accompanying papers in which it is proposed that the cost of the temporary roadway across the bed of the Palar River should form a final

Consg Engr for Rys

Railway Department.

From

The Consulting Engineer for Railways,

To

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

Dated 9 Septr 1876.
Received

No. 451

Submitting for approval from the Secretary of State the proposal to charge to Capital account the cost of a temporary roadway across the bed of the Palar River.

No. 425

Public-22-9-76 Rld 26-9-76
Fin - 28-9-76. Rld 22-9-76
sent to both 11-9-76 Rn 28-9-76

E.2.

No. 2564 Public Works Department.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

UNDER date the 26th Septr 1876.

Read the following:—

From The Offg. Cons Engineer for Railways, No. 451 dated 9th Octr 1876.

His Grace the Governor in Council cannot decide any question for charging to Capital the Cost of the temporary roadway across the Palar. The permanent way materials may be borrowed from Stock and replaced when the temporary roadway has been superseded. The cost of labor is clearly chargeable to Revenue. Any other mode of charging would result in Capital paying for two roads across the Palar.

C. E. for Rly. ✓
Expan. & D. F. Accounts. ✓
Acctd 9/10/76

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final charge against Capital in the accounts of the South Indian Railway. Considered in the light of the remarks contained in para 3 of your letter No. 193 A/R dated 15th May 1871 the cost of the work should ultimately fall against Revenue. I am accordingly to request the orders of the Govt of India on the question now raised

Ex. 2 Cells.

6592

Govt. of {1876} Madras.

PUBLIC WORKS.

To The Comd Engr for Wds

Dated

Issued

Recd *Encl*

G. O, 25 Sept 1876, No. 2564

Nos. 4 & 5/26

Temporary roadway
across the Palar -
South Indian Rly

Intimating with remarks
that the Govt. cannot
see any good grounds for
charging to Capital
the cost of the ——

Dft Pmtd
Wrote

Offd Asst