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Q. 17324. 9-7-86

No. 1069.

Superintending Engineer's Office,

3RD CIRCLE

Bellary 26 August 1886.

FROM,

Major A. C. Smith R.E.

THE SUPERINTENDING ENGINEER,

III<sup>RD</sup> CIRCLE.

To,

THE Chief Engineer

P. W. Department

Madras

SIR,

Enclosures.

\* Cuddapah Division  
Rs. 360

Kurnool Do. 360  
720

I have the honor to request that an appropriation of Rs 720 may be made under Imperial Military Repairs to meet the House rent allowance to Medical Subordinates attached to the Local Fund Dispensary at Madanapally in the Cuddapah District and to the Kurnool Collectorate.

I have the honor to be

Yours most <sup>Dear</sup> obedient servant.

A. C. Smith Major R.E.

Offg. Superintending Engineer 3<sup>rd</sup> Circle

Recd. 4/2/10

17/9

Intercom R.R.

B. No 2231 W. 17.9.86

P.W.C. No 70

(14)

From,  
The Superintending Engineer,  
IIIrd Circle.

To,  
The Chief Engineer  
P.W.D.  
Madras

Dated 10<sup>th</sup> } September 1886.  
Received 11 }

Enclosures.

No. 1183

Transfer of funds.  
Requesting that the within  
notes — may be sanctioned.

B

PUBLIC WORKS DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

16 September 1886.  
Read the following

From the Suptg. Engineer III Circle. H. E. No: 1183 d/15<sup>th</sup> September 1886.

The following transfer of  
funds is sanctioned:—

Imperial  
Military  
Repairs

| From                       | To                          |
|----------------------------|-----------------------------|
| Bellary Division — Rs. 720 | Buddapah Division — Rs. 360 |
|                            | Kurnool Division — 360      |
|                            | Total Rs. 720.              |

CP  
14/9/86.

Cor  
13.9.86

Doc  
13/9/86.

To  
The Suptg. Engr. III Circle  
" Examiner of P.W. Accts  
Desd 16.9.86.

W  
11/9

30TH AUGUST 1886, No. 1065 L.F., FINANCIAL.

GOVERNMENT OF MADRAS.  
FINANCIAL DEPARTMENT.

READ—again the following papers:—

G.O., dated 28th May 1886, No. 594 L.F., Financial.

ABSTRACT.—Ordering that the Government of India be addressed as to procuring in India the iron-work required for Irrity and Merumpoya bridges in Malabar.

G.O., dated 25th June 1886, Mis. No. 705-A. L.F., Financial.

Read—the following telegram from J. E. O'CONOR, Esq., Assistant Secretary to the Government of India, Department of Finance and Commerce, to the Chief Secretary to the Government of Madras, dated Simla, 18th June 1886, No. 1465:—

Your 595 L.F. of 28th May. Iron-work may be procured from Burn and Co. of local manufacture.

Order—dated 25th June 1886, Mis. No. 705-A. L.F., Financial.

Ordered that the following telegram be despatched to the President, District Board, Malabar:—

Your 133 of 30th April. India sanctions purchase of iron-work from Burn and Company. Report further action.

(True Extract.)

(Signed) E. F. WEBSTER,  
Chief Secretary.

G.O., dated 28th July 1886, Mis. No. 882 L.F., Financial.

Read—the following letter from H. M. WINTERBOTHAM, Esq., President, District Board, Malabar, to the Chief Secretary to Government, dated Calicut, 15th July 1886, No. 376:—

In reply to Government telegram, dated 12th July 1886, I have the honor to inform you that a draft of the proposed agreement with Messrs. Burn and Company has been forwarded to that firm, together with drawings and specification and bills of quantities, and their formal acceptance of the contract is now awaited.

2. I enclose for the information of Government a copy of the draft agreement, and of the covering letter with which it was forwarded.

9.86 15.9.86

Subindran

## ENCLOSURES.

From H. M. WINTERBOTHAM, Esq., President, District Board, Malabar, to Messrs. BURN AND CO., dated Calicut, 8th July 1886, No. 949.

With reference to the telegrams and letters marginally noted, which have passed

From Messrs. Burn and Co.—

Telegram, dated 9th April 1886, and letter No. H-2—471, dated 9th April 1886.

Telegram, dated 17th April 1886, and No. H-887, of 13th April 1886.

Telegram, dated 13th April 1886.

No. H-2—417, dated 17th April 1886.

" H-291, dated 25th May 1886.

" H-1011, dated 28th June 1886.

From District Board Engineer to Messrs. Burn and Co.—

No. 9, dated 2nd April 1886.

" 95, " 10th " "

" 622, " 7th June " "

" 573, Telegram, dated 2nd June 1886.

" 847, dated 27th June 1886.

between yourselves and the Engineer of the Malabar District Board, I have now the honor to enclose for your acceptance the plans, specifications, bills of quantities, and draft form of agreement in respect of the metal superstructure of the two bridges which you have tendered to supply at the port of Tellicherry for the sum of Rs. , being at the rate of Rs. 245 per ton.

2. The district board proposes that nine-tenths of the price shall be paid to you within 14 days of the production (a) of the Consulting Engineer's certificate, (b) of the bills of lading showing that the material has been put on

board, (c) of evidence that the vessel has arrived at Tellicherry with the said material.

The remaining one-tenth is made payable on the completion of the bridges and on the application of the test set forth in the concluding paragraph of the specification.

3. The board have felt a difficulty in fixing a time for payment. They naturally would desire to make payment after their Engineer had had time to satisfy himself of the correctness of the quantities and of the good condition of the material upon the landing of the same, but as it is hard to tell beforehand what time would be required for the Engineer so to satisfy himself, the board have only stipulated that payment of nine-tenths of the price should be deferred for 14 days after the arrival of the vessel.

As regards the remaining one-tenth, the board will use all practicable despatch in the erection of the bridges, which will probably occupy from four to five months, but it is impossible to fix an exact date, and it seems reasonable that the Board should retain some hold upon the contractors until the bridges have been tested.

If you can depute one or two qualified Inspectors in whom you have confidence to carry out the erection, under the control of the board's Engineer, the board will be prepared to pay them Rs. 250 a month each.

4. The board believe that you will, as shippers of the material, be in a position to procure its insurance from marine and other risks during landing between the ships and the shore, and they have provided that this shall be done by you.

5. It is of the utmost importance that the material should be delivered in time to admit of the bridges being put up before the monsoon, which breaks in June next year, and it is hoped that there may be no delay in the completion of this agreement. If you are able to agree to the terms, please take the necessary steps to execute the agreement in a formal manner, and I will thereupon do the same on behalf of the district board.

An Agreement made the            day of            between            carrying on business at Calcutta as co-partners under the name or style of Burn and Company (hereinafter called the contractors) of the one part, and President of the District Board, Malabar Circle (hereinafter called the President), acting for and on behalf of the said district board, of the other part.

Witnesseth that for the consideration hereinafter mentioned, and under the penalty expressed in a bond bearing even date with these presents, and hereto annexed, the contractors do hereby for themselves jointly and severally, and for their respective heirs, executors and administrators, covenant with the President and his successors, and the President doth hereby covenant with the contractors, their executors, administrators and assigns as follows:—

(1) The contractors will furnish at their own proper cost and expense all the materials and labor necessary to completely construct, erect, finish at the workshop in England in a substantial and workmanlike manner, take down after acceptance by the Consulting Engineer hereinafter mentioned and deliver from on board a vessel in the port of Tellicherry on or before the expiration of five calendar months from the date of these presents, the whole of the metal works required for, and in connection with, the reconstruction of the superstructure of the Iritty and Merumpoya bridges, situate on the trunk road between Mercara and Tellicherry aforesaid, in conformity with the specification, bills of quantities and plans hereunto annexed and numbered            and subject to the conditions hereinafter mentioned, and in default thereof, will pay to the President or his successors on and for every day after the            day of            1886, until this contract shall be completed, a sum of Rupees fifty as liquidated damages.

(2) The contractors shall give to the President or his successors ten clear days' notice of the shipment of the said metal-work and of the probable arrival of the same at the port of Tellicherry aforesaid, and shall make such arrangements with the shippers of the metal-work as shall enable the President to complete the landing of the whole of the said metal-work within a reasonable time, and within the capacity of the port of Tellicherry aforesaid. The contractors shall appoint the Consulting Engineer of the Oudh and Rohilkund Railway to inspect the materials and workmanship of the said metal-work, and the said Engineer shall, after subjecting all portions of the work to proper inspection, grant a certificate to the effect that the said materials and workmanship correspond in every particular with the said specification, bills of quantities and plans numbered, and until the production of the said certificate the contractors shall not be entitled to receive the consideration money hereinafter mentioned.

(3) The President will pay to the contractors, for the execution by them of the said works the sum of Rs.            on the terms and at the times next hereinafter mentioned.

(4) The President will on the production to him or his successors of a certificate signed by the said Consulting Engineer aforesaid that the said materials and workmanship correspond in every particular with the said specification, bills of quantities, or estimates of metal-work, and plans numbered            and with this contract as hereinbefore mentioned, and also on the production to the President or his successors of evidence that the said metal-work has been duly and properly shipped, and that the vessel containing the same has arrived in the port of Tellicherry aforesaid, pay to the contractor within 14 days of the arrival of the said vessel the sum of Rupees            being nine-tenths of the whole consideration money of Rs.            and will further pay to the contractors on the said bridges being completely erected, put up and finally tested as mentioned in the concluding paragraph of the said specification, the sum of Rs.            , being the remaining one-tenth of the whole consideration money aforesaid.

(5) If at any time during the continuance of this contract, the President shall be of opinion that the terms thereof have not been complied with by the contractors, the contractors shall be, and remain liable to the President for all damages occasioned to him by such non-compliance, irregularity or negligence, and all moneys or reserved percentage that may be due under these presents shall be forfeited to the President.

(6) And it is hereby expressly declared and agreed that the contractors shall have no dealings with any person connected with or engaged in the service of the said district board of Malabar, in connection with this contract nor to any benefit to arise therefrom, and any violation of this clause, on the part of the contractors, shall render the said contractors liable to forfeit all moneys which may be due to them under this contract.

(7) All moneys which may from time to time become payable by the contractors for non-fulfilment of this contract shall from the time of their becoming payable be considered as liquidated damages due to the President, and may be deducted by the President from any moneys which may be due to the contractors on account of the execution of the aforesaid works, as if the same had been moneys paid by the President to the contractors on account.

(8) And it is hereby further agreed that the contractors or their agents shall arrange for the insurance and shall take out the necessary policies for insuring the said metal-work against marine and other risks during the process of landing the same from the vessel in the port of Tellicherry aforesaid.

(9) And it is hereby agreed by and between the said parties hereto, that in the event of the said metal-work or any part thereof being lost or damaged in course of landing aforesaid, the contractors shall supply in the most expeditious manner possible duplicates of such materials so lost or damaged at such reasonable rates as may be decided by the District Board Engineer of the Malabar Circle aforesaid.

In witness whereof the parties hereto have hereunto set their hands and seals the day and year first above written.

## BOND.

Know all men by these presents that we            of            are held and firmly bound unto the President of the District Board, Malabar circle (hereinafter called the President), and his successors, in the penal sum of Rs. 5,000 of lawful money of British India to be paid to the President            for which payment we bind ourselves our executors and administrators by these presents sealed with our seals dated this            day of            one thousand eight hundred and           

The condition of the above written bond is such that if the said            their executors or administrators shall well and truly execute the work described in a certain specification, dated the            day of            and numbered            and referred to in a certain agreement signed by the said            and dated the            day of            and shall well and truly perform and abide by all the terms and conditions in the said agreement and specification contained to be performed and abided by on the part of the contractors then the

above-written bond or obligation shall be void, otherwise the same shall be and remain in full force and virtue.

Signed, sealed and  
delivered by the said  
in the presence of

Signature of Contractor.

Signature of two witnesses.

Order—dated 28th July 1886, Mis. No. 882 L.F., Financial.

Recorded.

2. No final agreement should be entered into without the previous sanction of Government.

(True Extract.)

(Signed) E. F. WEBSTER,  
Chief Secretary.

To the President, District Board, Malabar.

READ—also the following papers:—

Telegram from the Secretary of State, to the Governor of Madras, dated 10th July 1886.

My telegram, 24th March, Irrity bridges, 5,200 was steel if iron 4,500.

From H. M. WINTERBOTHAM, Esq., President, District Board, Malabar, to the Chief Secretary to Government, dated Calicut, 29th July 1886, No. 433.

In continuation of my letter, dated 15th July 1886, No. 376, I have the honor to forward herewith a copy of the reply received from Messrs. Burn and Co., and of the telegram which I thereupon despatched to them.

2. If the bridges are to be put up during the next working season, not a day is to be lost, and I therefore refused to extend the time to six months or to reduce the penalty in case of delay.

3. Messrs. Burn and Co. propose to add on 10 per cent. to their original tender to provide for loss by exchange, which has fallen from 1s. 6d. to 1s. 4½d. This fall represents only 6¼ per cent. and it appeared to me that the board is likely to gain by guaranteeing Messrs. Burn and Co. against loss by exchange falling below 1s. 6d. rather than by accepting the enhancement of 10 per cent. I have therefore proposed this guarantee.

4. On other points I have agreed on behalf of the board—

- (a) to pay Rs. 10,000 in advance;
- (b) to take the risk of landing the material from the steamer;
- (c) to pay the agreed price per ton on the invoice weight, provided that the difference be not more or less than 5 per cent. above or under the estimated weight.

ENCLOSURES.

From Messrs. BURN AND CO., to the President, District Board, Malabar, Calicut, dated No. 7, Hastings Street, Howrah, 21st July 1886, No. H-2—910.

We have the honor to acknowledge receipt of your No. 949, but we regret that, owing to the delay in accepting our tender, it is now impossible for us to carry it out at the rate tendered four months ago owing to the great fall in exchange. At the date of our tender exchange was

1s. 6d.; it is now at 1s. 4½d. We have read the contract deed and are prepared to execute it if the following modifications we suggest for your consideration are made in it, the reasons for which we have fully explained in our No. 907 of even date to the address of your Engineer:—

- 1st.—That the rate per ton be Rs. 269-4-0 for delivery ex steamer at Tellicherry, being the difference of exchange added to former rate.
- 2nd.—That the sum to be paid us be approximately Rs. 55,000, the sum being calculated at Rs. 269-4-0 per ton on the actual invoice weights which are not to differ from Engineer's by more than 5 per cent.
- 3rd.—That owing to the long time you require before making final payment, that you make us a payment of Rs. 10,000 to account on the execution by us of the contract deed.

2. It will be impossible for us, we fear, to arrange for the landing of the material from the ship to the shore or to include this in the insurance; but this we think you will have no difficulty in contracting for locally. We note what you say about sending you inspectors and shall look into this later on. We think the penalty should be reduced to 25 per day, and time for completion to be six calendar months after receipt of final orders. If you can agree to these modifications we will have the deed drawn at once.

3. Our offer to remain open for a fortnight after you receive this; but if there is longer delay, we must ask your permission to confirm our offer. We trust the modifications we have suggested will meet with your approval and sanction.

From Messrs. BURN AND CO., to the District Engineer, District Board, Malabar, Calicut, dated No. 7, Hastings Street, Howrah, 21st July 1886, No. H-2—907.

In reply to your No. 943, we intended to supply the link bars rolled solid and not welded, but we intended to have the bars rolled from blooms forged roughly to shape the ends and body being dressed to shape instead of stamping the whole out of a plate of full width of head; an equally sound solid bar would be made either way but with less loss in the first case.

2. With reference to the enhanced rate, we asked this was not all occasioned by your confining us to one method of making the bars, but was in great measure owing to the decline in exchange since we tendered for the work. It is now close upon four months since we wired you a rate; exchange was then at 1s. 6d., it is now at 1s. 4½d., or a drop of 8 per cent., with a tendency to further decline. We are quite prepared to adhere to our original quotation of Rs. 245 per ton, plus 10 per cent. for the fall in exchange, which is a moderate estimate of the difference between the rate when we tendered and rate which will probably be ruling when we have to remit. We could not quote at this low enhancement had we not sent copies of your drawings home and are now in a position to place the order on hearing from you by wire and thus secure ourselves against fluctuation in the market if not against adverse exchange. We therefore beg to quote Rs. 269-4-0 per ton for the iron work delivered ex steamer at Tellicherry within six months from receipt of order. We agree to keep this offer open for a fortnight after receipt of this to enable you to wire us acceptance if approved. We have read the contract deed and agree to it generally and also to terms of payment; but we take exception to the amount of penalty, which is, we think, excessive for the amount of contract, and would propose to reduce this to 25 per day. We also object to a lump sum being filled in, except as an approximation, as you have allowed no contingencies for excess section in your weights. We would therefore suggest the alteration of 3rd clause of contract deed to—"The President will pay to the contractors for the execution by them of the said works the sum of Rs. 55,000 approximately, the actual sum to be the net invoice weight of iron work calculated at the rate of Rs. 269-4-0 per ton."

3. A clause might be added to the effect that such weight was not to exceed or be less than your estimated weights by more than 5 per cent.

4. We trust these modifications are such as you can recommend to the board for acceptance.

Telegram from H. M. WINTERBOTHAM, Esq., President, District Board, Malabar, to Messrs. BURN AND CO., Howrah, dated Calicut, 28th July 1886.

Your letters, 21st instant, Nos. 907, 910. Malabar working season ends middle May therefore cannot extend period beyond five months or reduce penalty. Will pay at rate originally tendered, Rs. 245 a ton, guaranteeing you against loss by exchange falling below 18 pence. In other respects agree to your terms. Wire reply.

## ENCLOSURES.

From H. M. WINTERBOTHAM, Esq., President, District Board, Malabar, to Messrs. BURN AND CO., dated Calicut, 8th July 1886, No. 949.

With reference to the telegrams and letters marginally noted, which have passed

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board, (c) of evidence that the vessel has arrived at Tellicherry with the said material.

The remaining one-tenth is made payable on the completion of the bridges and on the application of the test set forth in the concluding paragraph of the specification.

3. The board have felt a difficulty in fixing a time for payment. They naturally would desire to make payment after their Engineer had had time to satisfy himself of the correctness of the quantities and of the good condition of the material upon the landing of the same, but as it is hard to tell beforehand what time would be required for the Engineer so to satisfy himself, the board have only stipulated that payment of nine-tenths of the price should be deferred for 14 days after the arrival of the vessel.

As regards the remaining one-tenth, the board will use all practicable despatch in the erection of the bridges, which will probably occupy from four to five months, but it is impossible to fix an exact date, and it seems reasonable that the Board should retain some hold upon the contractors until the bridges have been tested.

If you can depute one or two qualified Inspectors in whom you have confidence to carry out the erection, under the control of the board's Engineer, the board will be prepared to pay them Rs. 250 a month each.

4. The board believe that you will, as shippers of the material, be in a position to procure its insurance from marine and other risks during landing between the ships and the shore, and they have provided that this shall be done by you.

5. It is of the utmost importance that the material should be delivered in time to admit of the bridges being put up before the monsoon, which breaks in June next year, and it is hoped that there may be no delay in the completion of this agreement. If you are able to agree to the terms, please take the necessary steps to execute the agreement in a formal manner, and I will thereupon do the same on behalf of the district board.

An Agreement made the            day of            between carrying on business at Calcutta as co-partners under the name or style of Burn and Company (hereinafter called the contractors) of the one part, and President of the District Board, Malabar Circle (hereinafter called the President), acting for and on behalf of the said district board, of the other part.

Witnesseth that for the consideration hereinafter mentioned, and under the penalty expressed in a bond bearing even date with these presents, and hereto annexed, the contractors do hereby for themselves jointly and severally, and for their respective heirs, executors and administrators, covenant with the President and his successors, and the President doth hereby covenant with the contractors, their executors, administrators and assigns as follows:—

(1) The contractors will furnish at their own proper cost and expense all the materials and labor necessary to completely construct, erect, finish at the workshop in England in a substantial and workmanlike manner, take down after acceptance by the Consulting Engineer hereinafter mentioned and deliver from on board a vessel in the port of Tellicherry on or before the expiration of five calendar months from the date of these presents, the whole of the metal works required for, and in connection with, the reconstruction of the superstructure of the Irtty and Merumpoya bridges, situate on the trunk road between Mercara and Tellicherry aforesaid, in conformity with the specification, bills of quantities and plans hereunto annexed and numbered            and subject to the conditions hereinafter mentioned, and in default thereof, will pay to the President or his successors on and for every day after the            day of            1886, until this contract shall be completed, a sum of Rupees fifty as liquidated damages.

(2) The contractors shall give to the President or his successors ten clear days' notice of the shipment of the said metal-work and of the probable arrival of the same at the port of Tellicherry aforesaid, and shall make such arrangements with the shippers of the metal-work as shall enable the President to complete the landing of the whole of the said metal-work within a reasonable time, and within the capacity of the port of Tellicherry aforesaid. The contractors shall appoint the Consulting Engineer of the Oudh and Rohilkund Railway to inspect the materials and workmanship of the said metal-work, and the said Engineer shall, after subjecting all portions of the work to proper inspection, grant a certificate to the effect that the said materials and workmanship correspond in every particular with the said specification, bills of quantities and plans numbered, and until the production of the said certificate the contractors shall not be entitled to receive the consideration money hereinafter mentioned.

(3) The President will pay to the contractors, for the execution by them of the said works the sum of Rs.            on the terms and at the times next hereinafter mentioned.

(4) The President will on the production to him or his successors of a certificate signed by the said Consulting Engineer aforesaid that the said materials and workmanship correspond in every particular with the said specification, bills of quantities, or estimates of metal-work, and plans numbered            and with this contract as hereinbefore mentioned, and also on the production to the President or his successors of evidence that the said metal-work has been duly and properly shipped, and that the vessel containing the same has arrived in the port of Tellicherry aforesaid, pay to the contractor within 14 days of the arrival of the said vessel the sum of Rupees            being nine-tenths of the whole consideration money of Rs.            and will further pay to the contractors on the said bridges being completely erected, put up and finally tested as mentioned in the concluding paragraph of the said specification, the sum of Rs.            , being the remaining one-tenth of the whole consideration money aforesaid.

(5) If at any time during the continuance of this contract, the President shall be of opinion that the terms thereof have not been complied with by the contractors, the contractors shall be, and remain liable to the President for all damages occasioned to him by such non-compliance, irregularity or negligence, and all moneys or reserved percentage that may be due under these presents shall be forfeited to the President.

(6) And it is hereby expressly declared and agreed that the contractors shall have no dealings with any person connected with or engaged in the service of the said district board of Malabar, in connection with this contract nor to any benefit to arise therefrom, and any violation of this clause, on the part of the contractors, shall render the said contractors liable to forfeit all moneys which may be due to them under this contract.

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(9) And it is hereby agreed by and between the said parties hereto, that in the event of the said metal-work or any part thereof being lost or damaged in course of landing aforesaid, the contractors shall supply in the most expeditious manner possible duplicates of such materials so lost or damaged at such reasonable rates as may be decided by the District Board Engineer of the Malabar Circle aforesaid.

In witness whereof the parties hereto have hereunto set their hands and seals the day and year first above written.

## BOND.

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The condition of the above written bond is such that if the said            their executors or administrators shall well and truly execute the work described in a certain specification, dated the            day of            and numbered            and referred to in a certain agreement signed by the said            and dated the            day of            and shall well and truly perform and abide by all the terms and conditions in the said agreement and specification contained to be performed and abided by on the part of the contractors then the

above-written bond or obligation shall be void, otherwise the same shall be and remain in full force and virtue.

Signed, sealed and  
delivered by the said  
in the presence of

Signature of Contractor.

Signature of two witnesses.

Order—dated 28th July 1886, Mis. No. 882 L.F., Financial.

Recorded.

2. No final agreement should be entered into without the previous sanction of Government.

(True Extract.)

(Signed) E. F. WEBSTER,  
Chief Secretary.

To the President, District Board, Malabar.

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- (a) to pay Rs. 10,000 in advance;
- (b) to take the risk of landing the material from the steamer;
- (c) to pay the agreed price per ton on the invoice weight, provided that the difference be not more or less than 5 per cent. above or under the estimated weight.

ENCLOSURES.

From Messrs. BURN AND CO., to the President, District Board, Malabar, Calicut, dated No. 7, Hastings Street, Howrah, 21st July 1886, No. H-2—910.

We have the honor to acknowledge receipt of your No. 949, but we regret that, owing to the delay in accepting our tender, it is now impossible for us to carry it out at the rate tendered four months ago owing to the great fall in exchange. At the date of our tender exchange was

1s. 6d.; it is now at 1s. 4½d. We have read the contract deed and are prepared to execute it if the following modifications we suggest for your consideration are made in it, the reasons for which we have fully explained in our No. 907 of even date to the address of your Engineer:—

- 1st.—That the rate per ton be Rs. 269-4-0 for delivery ex steamer at Tellicherry, being the difference of exchange added to former rate.
- 2nd.—That the sum to be paid us be approximately Rs. 55,000, the sum being calculated at Rs. 269-4-0 per ton on the actual invoice weights which are not to differ from Engineer's by more than 5 per cent.
- 3rd.—That owing to the long time you require before making final payment, that you make us a payment of Rs. 10,000 to account on the execution by us of the contract deed.

2. It will be impossible for us, we fear, to arrange for the landing of the material from the ship to the shore or to include this in the insurance; but this we think you will have no difficulty in contracting for locally. We note what you say about sending you inspectors and shall look into this later on. We think the penalty should be reduced to 25 per day, and time for completion to be six calendar months after receipt of final orders. If you can agree to these modifications we will have the deed drawn at once.

3. Our offer to remain open for a fortnight after you receive this; but if there is longer delay, we must ask your permission to confirm our offer. We trust the modifications we have suggested will meet with your approval and sanction.

From Messrs. BURN AND CO., to the District Engineer, District Board, Malabar, Calicut, dated No. 7, Hastings Street, Howrah, 21st July 1886, No. H-2—907.

In reply to your No. 943, we intended to supply the link bars rolled solid and not welded, but we intended to have the bars rolled from blooms forged roughly to shape the ends and body being dressed to shape instead of stamping the whole out of a plate of full width of head; an equally sound solid bar would be made either way but with less loss in the first case.

2. With reference to the enhanced rate, we asked this was not all occasioned by your confining us to one method of making the bars, but was in great measure owing to the decline in exchange since we tendered for the work. It is now close upon four months since we wired you a rate; exchange was then at 1s. 6d., it is now at 1s. 4½d., or a drop of 8 per cent., with a tendency to further decline. We are quite prepared to adhere to our original quotation of Rs. 245 per ton, plus 10 per cent. for the fall in exchange, which is a moderate estimate of the difference between the rate when we tendered and rate which will probably be ruling when we have to remit. We could not quote at this low enhancement had we not sent copies of your drawings home and are now in a position to place the order on hearing from you by wire and thus secure ourselves against fluctuation in the market if not against adverse exchange. We therefore beg to quote Rs. 269-4-0 per ton for the iron work delivered ex steamer at Tellicherry within six months from receipt of order. We agree to keep this offer open for a fortnight after receipt of this to enable you to wire us acceptance if approved. We have read the contract deed and agree to it generally and also to terms of payment; but we take exception to the amount of penalty, which is, we think, excessive for the amount of contract, and would propose to reduce this to 25 per day. We also object to a lump sum being filled in, except as an approximation, as you have allowed no contingencies for excess section in your weights. We would therefore suggest the alteration of 3rd clause of contract deed to—"The President will pay to the contractors for the execution by them of the said works the sum of Rs. 55,000 approximately, the actual sum to be the net invoice weight of iron work calculated at the rate of Rs. 269-4-0 per ton."

3. A clause might be added to the effect that such weight was not to exceed or be less than your estimated weights by more than 5 per cent.

4. We trust these modifications are such as you can recommend to the board for acceptance.

Telegram from H. M. WINTERBOTHAM, Esq., President, District Board, Malabar, to Messrs. BURN AND CO., Howrah, dated Calicut, 28th July 1886.

Your letters, 21st instant, Nos. 907, 910. Malabar working season ends middle May therefore cannot extend period beyond five months or reduce penalty. Will pay at rate originally tendered, Rs. 245 a ton, guaranteeing you against loss by exchange falling below 18 pence. In other respects agree to your terms. Wire reply.

## No. 4 O.

Referred, with previous papers, to the Public Works Department, for early remarks on the terms of the proposed contract with Messrs. Burn and Co.

(By Order.)

OOTACAMUND,  
5th August 1886.

(Signed) E. S. LAFFAN,  
*Under Secy. to Govt.*

## No. 493 D.

Referred to the Superintending Engineer, IV Circle, for favor of very early remarks.

OOTACAMUND,  
5th August 1886.

(Signed) J. SHAW-STEWART, Col., R.E.,  
*Secretary to Government, P.W.D.*

From Colonel J. BEATTY, R.E., Superintending Engineer, IV Circle, to the Chief Engineer, Public Works Department, dated Coimbatore, 7th August 1886, No. 290 E.W.

With reference to your endorsement No. 493 D., of 5th instant, received yesterday evening, and marked "immediate," I have the honor to state that the terms mentioned in the letter of the President, District Board, Malabar, No. 433, of 29th ultimo, appear satisfactory and such as may be approved.

2. The rate per ton, Rs. 245, *plus* the difference that may be caused by exchange falling below 18 pence, which is the rate for delivery ex steamer at Tellicherry, is favorable to the board, judging from information given in the latest price lists I have received; the weights to be paid for being net invoice weights, which are not to exceed or be less than the District Engineer's estimated weights by more than 5 per cent.

3. From inquiries I have made, there is not likely to be any difficulty in arranging locally for and insuring the safe landing of the material from the ship to the shore at Tellicherry.

## No. 507 D.

Transferred to the Financial Department, with an expression of concurrence in the Superintending Engineer's observations.

Endorsement No. 4 O., dated 5th August 1886, is herewith returned with enclosures.

OOTACAMUND,  
9th August 1886.

(Signed) J. SHAW-STEWART, Col., R.E.,  
*Secretary to Government, P.W.D.*

From Messrs. BURN AND CO., to the President, District Board, Malabar, dated Howrah, 3rd August 1886, No. 11-1282.

We have your telegrams of 28th and 31st ultimo and are much obliged for your agreement to the terms proposed, all except the question of time and penalty. We regret we cannot agree to undertake the work within a shorter time than six months, more especially as there is a penalty attached, and we cannot agree to a higher penalty than a merely nominal one of, say, Rs. 10 per day. We make this stipulation *now* because we find that we are offering to do your work at a profit which will not exceed 5 per cent. if everything goes well, and it is not worth our while jeopardising this

small percentage under circumstances in the shipment of the work which we cannot control. We must remind you that this penalty clause has been imported into the correspondence after our tender was submitted; had it been mentioned before, we would have made our price to cover the risk; it is therefore unfair to ask us to adhere to our original price with the risk of incurring a loss through this penalty. An accident to one of the steamers bringing the iron work, the ship calling at an intermediate port, the transshipment by mistake at a wrong port of some portion of the bridge (a case of everyday occurrence), any of these might let us in for serious loss. And we have therefore determined not to accept the work under a greater penalty, unless we charge for the risk in the price. If we had the whole conduct of the work in our own hands, and our responsibility ceased when it was delivered at our works here or in England, we would be willing to agree to any reasonable penalty, but with the risks of a sea voyage between such completion and delivery at Tellicherry, we cannot do it.

We trust you will be able to agree with us. Penalty or no penalty, it will make no difference to us, and your work will be carried through at all costs in a thorough manner and to the best of our ability.

From H. M. WINTERBOTHAM, Esq., President, District Board, Malabar, to Messrs. BURN AND CO., Iron Works, Howrah, dated Calicut, 13th August 1886, No. 511.

I have received your letter, dated 3rd August 1886.

2. In recognition of the reasonableness of your objection to incur a penalty for delay occasioned by circumstances beyond your control, I now propose that you should agree to a penalty of Rs. 50 a day, if the bridges be not *shipped* on board the steamer within a specified time after signing contract.

3. You will remember that the period of *five* months was fixed by yourselves without any suggestion from us, and this promised celerity was one of the circumstances which led the board to regard your tender with favor.

As you now find yourselves unable to deliver the 10 spans within less than six months, I would inquire whether you can meet the wishes of the board by undertaking to ship *four* (or even *three*) of the 10 spans complete, within *three* months from signing contract. This would enable our engineer to erect the deep-stream spans before the floods come down the river.

4. I note that in your letter of 9th April 1886, No. H-2-471, you state that you can turn out 10 spans as fast as 2 or 4, but as the board's engineer informs me that the largest English bridge factories turn out only about 50 tons a week of finished bridge-work, I apprehend that on reconsideration the above proposition is one which you would not seek to maintain. The board some while ago received a tender from Messrs. Peirce, Leslie and Co., of Calicut, agreeing to ship 2 spans within three months, and the remainder in four months; and if you can turn out even 35 tons a week, this time would be ample.

5. My final proposition to you is that the penalty of Rs. 50 a day should be payable if three (3) spans (or 4 if you will agree) be not shipped within three (3) months from the date of contract on a steamer leaving England, under such circumstances that, in the ordinary course, the spans should arrive at Tellicherry not more than seven weeks after shipment.

6. We will ask for no penalty clause regarding the remaining spans, relying upon you to deliver them in less than the stipulated period (six months) if possible.

7. You will observe that I cannot close with you without the previous sanction of Government. If therefore you agree to the above terms, please let me hear by wire to save delay. If you do not agree, please return the draft contract, plan, specifications, &c., at once.

*with order*