M.R.O. 1—77,006—8-6-37.

(1) Number of pages 148

(2) Date of repair 19- 6 - 43

(3) Initials of the Referencer

CONCERNS BOTH BRITISH INDIA
AND INDIAN STATES.

MADRAS RECORD OFFICE.

Government of Madras.

PUBLIC WORKS DEPARTMENT.
Railway.

G.O. No. 1342 & 1343 R. Press / Mis.

Dated 9-9- 1890.

Not to be folded or roughly handled

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read again the following papers :—

G.O., dated 12th December 1889, No. 1378 R., Public Works.

From the Resident in Travancore and Cochin, to the Chief Secretary to Government, Fort St. George, dated Trivandrum, 30th Octobor 1889, No. 133.

With reference to G.O., Political Department, No. 456,* dated 5th September 1889, directing me to communicate to Government the views of the Travancore Sirkar on the proposals submitted by Messrs. Cameron Chisholme and Co. on behalf of Messrs. Arbuthnot Latham and Co. of London for the construction of the Travancore section of the Tinnevelly Railway, I have the honor to forward copy of a letter, No. 5210/P 254 of the 22nd instant, from the Dewan of Travancore, stating that His Highness' Government have under consideration a scheme for the construction of a light railway at their own cost from Trivandrum to the frontier at Aramboli, and that should this arrangement commend itself to His Excellency the Governor in Council, the Travancore Government would wish to defer the consideration of the proposals made for the construction of the Ariankavoo line.

* G.O., No. 951 R., dated 29th August 1889.

ENCLOSURE.

From the Dewan of Travancore, to the British Resident of Travancore, dated Trivandrum, 22nd October 1889, No. 5210/P 254.

[*Subject.*—The construction of a light Railway from Trivandrum to the Frontier.]

I have the honor to acknowledge your letters noted in the margin.

No. C 5, dated 15th August 1889.
No. 798, ,, 14th September 1889.

2. You will have observed from my letter No. 4061/P 133, dated the 22nd ultimo, that His Highness' Government have under consideration a scheme for the construction of a light railway at their own cost from Trivandrum to the frontier at Aramboli. The Chief Engineer thinks this may be built for about ten lakhs of rupees, but he has not yet matured his plans. His Highness' Government would wish to defer the question of constructing the larger railway till they arrive at a decision in regard to the light railway. The latter, if feasible, will have the following advantages :—

(*a*) That it can be constructed with funds which can be made available by the State without entering into engagements with a large company of capitalists in Europe which might lead to misunderstandings, complications and embarrassments.

(*b*) That the construction of the larger railway will necessitate a provision of from 3 to 4 lakhs of rupees a year for many years to come, on account of interest on the capital expended by the company and a further provision of from 4 to 5 lakhs a year in order to form a fund for eventually buying out the company after 20 or 25 years. Thus about 7 or 8 lakhs will have to be annually set aside from the ordinary revenues of the country, and this diversion must necessarily reduce our grant for Public Works and retard in other directions also, for several years, improvements in the administration, and the development of the country in various ways.

(*c*) That if the capital outlay on the larger railway is expected after some years to yield 4 per cent. (which I doubt), the light railway which will cost only one-tenth, or say at the most one-fifth, of the other, should yield forthwith at least 6 per cent. on the money expended, and instead of our paying out a subsidy of 3 or 4 lakhs a year to a company for the traffic carried, the traffic will return to the State a good dividend which will go to add to the ordinary revenue available for improvements.

From W. LESLIE, Esq., to the Joint Secretary to Government, Public Works Department, Railway Branch, dated Branch Elphinstone Hotel, Madras, 7th January 1890.

Proposed Tinnevelly-Quilon Railway.

I have the honor to address you with reference to a letter I received by last mail from my principals in London informing me that they had received a communication, on the 12th ultimo, from the India Office to the effect that our proposals have been laid before the Secretary of State for India in Council, who has requested the Government of Madras, in communication with the Government of India, to consider what steps should be taken with a view to the prosecution of the above undertaking.

2. It is suggested that I should put myself in communication again with the Government of Madras in view of arranging for the necessary working survey of the proposed line on which an accurate estimate of its probable cost can be based, and I shall be very pleased to have the views of your Government thereon.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to the Resident in Travancore and Cochin, dated 3rd February 1890, No. 55.

I am directed to forward the correspondence noted in the margin on the subject of the proposed Tinnevelly-Quilon Railway, and to request the favor of an expression of the views of His Highness the Maharajah's Government as to the further prosecution of the negotiations with Mr. Leslie.

G.O., No. 1148 R., dated 23rd October 1889.
Despatch to Secretary of State, No. 15/1148 R., dated 23rd October 1889.
Despatch from Secretary of State, No. 2 R., dated 19th December 1889
Letter from Mr. Leslie, dated 7th January 1890.

2. I am to state that the first step is to obtain from the promoters a carefully prepared working survey of the line and an estimate based thereon, and that these are essential before negotiations for the construction of the line can be carried any further.

G.O., dated 13th May 1890, No. 645 R., Public Works.

From the Resident in Travancore and Cochin, to the Chief Secretary to Government, Fort St. George, dated 15th April 1890, No. 54.

With reference to enclosed copy of a letter from the Dewan of Travancore, No. 1276/P 192, dated 1st April 1890, I have the honor to state that this letter refers to No. 55, Political, of 3rd February 1890, from Joint Secretary to Government, Public Works Department, Railway, and I request your attention to my No. 133 of 30th October 1889, and request the favor of an early reply.

ENCLOSURE.

From the Dewan of Travancore, to the British Resident of Travancore, dated Trivandrum, 1st April 1890, No. 1276/P 192.

[*Subject.*—Extension of Railway into Travancore.]

I have the honor to acknowledge your letter No. C 29, dated the 17th ultimo, and to return the enclosures.

2. Before granting Mr. Leslie permission to make surveys and estimates for the proposed railway from Tinnevelly to Quilon *viâ* the Ariankavoo Pass, His Highness' Government would wish to be favored with the views of His Excellency the Right Honorable the Governor in Council on the subject of the light railway from Trivandrum to the Aramboli frontier referred to in my letter No. 5210/P 254, dated the 22nd October 1889.

3. If the Government of Madras are of opinion that the proposed light railway is not desirable, His Highness' Government will be prepared to accord sanction for surveying the line from Tinnevelly to Quilon and for preparing the necessary estimates, on the understanding that this Government will not be liable for any of the expenses attending the work, if the further

negotiations with the firm represented by Mr. Leslie do not result in an agreement for the construction of the line. If a contract is finally entered into with them, the cost of survey will, I presume, be part of the capital expended on the construction.

4. I should also like to mention with regard to the proposal to pay the guaranteed interest in sterling money, that His Highness' Government would wish, in the further negotiations, to fix a limit to the value of the rupee, below which, if the exchange falls, payment will not be claimable at the rate of depreciation but only at the fixed point.

Transferred to the Public Works Department (Railway Branch).

(Signed) J. F. PRICE,
Chief Secretary.

24th April 1890.

Order—dated 13th May 1890, No. 645 R., Public Works.

Ordered that the following letter be addressed to the Resident in Travancore and Cochin in the Political Department.

(True Extract.)

(Signed) SIDNEY SMITH, Major, R.E.,
Under-Secy. to Govt., P.W.D.,
Railway Branch.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to the Resident in Travancore and Cochin, dated 17th May 1890, No. 257.

I am directed to acknowledge the receipt of your letter, No. 54, dated 15th April last, forwarding a letter from the Dewan of Travancore, in which he requests to be favored with the views of His Excellency the Governor in Council on the subject of a light railway from Trivandrum to the Aramboli pass referred to in his letter, No. 5240/P 254 of the 22nd October 1889.

2. In reply, I am directed to state that the question of railway extension into Travancore must be decided by His Highness' Government; but that in the opinion of His Excellency the Governor in Council the proposed light railway or system of light railways within the Travancore frontier cannot be regarded as an alternative to the larger project. The question is whether or not the Travancore Government desire that the country shall be connected with the railway system of India, and are prepared to incur sacrifices and liabilities to secure this object. The construction of a steam tramway to the Aramboli pass will be hardly even a step towards it. Such tramway would doubtless benefit the country through which it might pass as regards local trade; but as to the larger object it would be of no account. That object of course cannot be obtained without sacrifices.

3. I am to request that the Durbar may be asked to state whether it desires that the proposals in the Dewan's letter of the 1st April should be transmitted to Mr. Leslie.

From W. LESLIE, Esq., to the Joint Secretary to Government, Public Works Department, Railway Branch, dated Branch Elphinstone Hotel, Madras, 10th June 1890.

Proposed Tinnevelly-Quilon Railway.

[Reference my letter of 7th January.]

I have the honor to request that you will kindly inform me what has been done with regard to the arrangements for a working survey of the above proposed line of railway.

2. I am quite prepared to pay all the costs of the survey which will go as part cost of construction.

(*d*) That a light railway admits of easy extension to ports and centres of trade and these branches will serve as feeders to the trunk road. For instance, in one year a branch might be carried to the port of Colachel, 15 miles, past the large market at Ernil. A year or two later another branch might be taken to Poovar, a third later on to Tiruvettar, and so on to gradually develope the country. The main line thus accumulating trade as it goes along will, after supplying the capital, discharge the rest of its freight into the backwater at Vailey, to be carried to ports and markets in the north by inland water communication.

3. The disadvantage is that it will be an isolated link; but if the line is found paying and sufficient for our traffic for some years to come, the South Indian Railway might be disposed to extend their line to our frontier, or themselves or any other company could continue our light railway to Tinnevelly after the experience of 2 or 3 years. There will still be the necessity for breaking bulk at Tinnevelly owing to the different gauges of the two lines, but the mere facility of uninterrupted communication would not in itself, I think, justify our embarking on a large undertaking and subjecting ourselves to heavy and long-continued liabilities with very indefinite ideas of the trade which the large railway will carry, if the light railway will answer the purposes of existing trade. When that trade is better developed, or if the light railway is found by the experience of a few years to be insufficient for our purposes, the larger undertaking might be entered upon with greater confidence of success. In that case, the money spent on the local line would be no waste, as that line would still be required for local traffic between South Travancore and the backwater system. In fact, when the railway from Tinnevelly to Quilon *vid* Shencotta was proposed, it was understood that after its construction a light line would be built for the convenience of the southern trade. The present proposal aims at no more than giving precedence to the light railway to the south and proceeding further, if necessary, with the knowledge gained by its working.

4. Should this arrangement commend itself to you and His Excellency the Governor in Council, His Highness' Government would wish to defer the consideration of the proposals made for the construction of the Ariankavoo line. I request to be favored with your advice.

Order—dated 12th December 1889, No. 1378 R., Public Works.

Recorded.

(True Extract.)

(Signed) C. J. SMITH, Colonel, R.E.,
Joint Secy. to Govt., P.W.D.,
Railway Branch.

From the Right Honorable the Secretary of State for India, to His Excellency the Right Honorable the Governor in Council of Fort St. George, dated India Office, London, 19th December 1889, No. 2 Railway.

Proposed formation of a Company to construct a line of Railway between Tinnevelly and Quilon.

On receipt of your Excellency's Public Works letter No. 15/1148 R., dated the 23rd October 1889, respecting the proposed Tinnevelly to Quilon Railway, I caused inquiries to be made respecting the position and competency of Messrs. Armstrong and Co., of 34, Old Broad Street, to carry out the scheme in question, and I have now to inform your Government that the firm is reported to be one of good standing and likely to carry their proposals into effect.

2. Messrs. Armstrong and Co. have recently addressed a communication on the subject of their scheme to this office, copy of which, and of the reply which I have caused to be made to it, are enclosed for your information.* You will perceive that Messrs. Armstrong have been informed that working surveys of the line proposed are essential before negotiations can be carried any further. When these are completed, and reliable estimates have been made of the cost, it will rest with your Government to consider, in communication with the Government of India, what steps should be taken by the Travancore State, in communication with your Government, for coming to an arrangement which

* Letter from Messrs. Armstrong, dated 5th November 1889.
Letter to Messrs. Armstrong, dated 11th December 1889.

shall form the basis of a concession to the promoters for the formation of a Company to carry out the project.

3. As it will be desirable, in the event of terms being arrived at, that the formal contract, embodying the same, should be drawn up in this country, I request that I may be furnished with a report of such negotiations as may take place, and full particulars of the conclusions arrived at by the several parties.

Enclosures.

From Messrs. C. ARMSTRONG rnd Co., to the Secretary of State for India, dated 34, Old Broad Street, London, E.C., 5th November 1889:

Some 18 months ago we despatched our Agent, Mr. William Leslie, to Madras, to negotiate on our behalf with the Governments of Madras and Travancore for a concession to construct—

Firstly, a proposed line of railway from Tinnevelly to Quilon.

Secondly, from Tinnevelly to a point on the South Indian Railway.

Since that date, Messrs. Skinner and Co., Merchants, of 3 and 4, Great Winchester Street, E.C., have become associated with us in the business.

On the 20th of June 1889, Mr. Leslie, acting upon our instructions, laid our proposals before the representatives of the above Government, in letters addressed, first, to J. C. Hannyngton, Esq. (British Resident of Travancore); second, to the Chief Secretary to the Government of Madras, Ootacamund, copies of which we have the honor to enclose.

The former letter our agent followed up with a visit to Trivandrum, and submitted his proposals in person to His Highness the Maharajah's Minister.

In support of our agent's authority to act in our behalf, we now have the honor to lay before your Lordship's Department the terms upon which we are prepared to find the necessary capital to construct and equip the above lines of railway.

We are prepared to provide the necessary capital for the proper construction and equipment, and carrying out of the works, of the line of railway from Tinnevelly to Quilon, and from Tinnevelly to a point on the South Indian Railway, in accordance with the Government surveys, upon the following conditions:—

(1*a*) That the Government of Travancore do guarantee interest on 600,000*l.* sterling of capital at the rate of 4 per centum per annum, *i.e.*, 24,000*l.* sterling per annum. The 600,000*l.* of capital to represent the proportionate capital of the line in Travancore territory.

(1*b*) The above guarantee to be for a period of not less than 15 or 20 years.

(1*c*) The guaranteed interest, amounting to 24,000*l.* sterling per annum, to be payable half-yearly from the date of the payment of the first monies when the issue is made in London.

(2) That Her Majesty's Government do place the land necessary for the construction of the line free at our disposal, and that Her Majesty's Government do construct the telegraph lines.

By mutual agreement between Messrs. Skinner and Company and ourselves, our agent has been instructed to apply for the concession in the name of Alan Cameron Skinner, being one of the partners of the firm of Skinner and Company before mentioned.

We trust that the foregoing terms may meet with your approval, and that your Lordship may be pleased to recommend the application.

For your Lordship's satisfaction, we beg to inform you that we are merchants and bankers in the city of London, and that our clearing bankers are Messrs. Brown, Janson and Company of London.

From HORACE WALPOLE, Esq., to Messrs. ARMSTRONG & Co., dated India Office, 11th December 1889, P.W. No. 2521.

In reply to your letter, dated 5th November 1889, I am directed to inform you that your proposals for the formation of a Company to construct a line of railway between Tinnevelly and Quilon have been laid before the Secretary of State for India in Council, who has requested the Government of Madras, in communication with the Government of India, to consider what steps should be taken with a view to the prosecution of this undertaking.

Before any further action can be taken in the matter, it is necessary, however, that working surveys of the proposed line should be made, on which an accurate estimate of the probable cost can be based, and I am to suggest, therefore, that your agent in India should place himself in communication with the Government of Madras in view to such surveys being made, on the completion of which the further arrangements for formation of a Company can be considered by Government.

The Government of Madras have been addressed in the sense of this letter.

From W. LESLIE, Esq., to the Joint Secretary to Government, Public Works Department, Railway Branch, dated Branch Elphinstone Hotel, Madras, 7th January 1890.

Proposed Tinnevelly-Quilon Railway.

I have the honor to address you with reference to a letter I received by last mail from my principals in London informing me that they had received a communication, on the 12th ultimo, from the India Office to the effect that our proposals have been laid before the Secretary of State for India in Council, who has requested the Government of Madras, in communication with the Government of India, to consider what steps should be taken with a view to the prosecution of the above undertaking.

2. It is suggested that I should put myself in communication again with the Government of Madras in view of arranging for the necessary working survey of the proposed line on which an accurate estimate of its probable cost can be based, and I shall be very pleased to have the views of your Government thereon.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to the Resident in Travancore and Cochin, dated 3rd February 1890, No. 55.

I am directed to forward the correspondence noted in the margin on the subject of the proposed Tinnevelly-Quilon Railway, and to request the favor of an expression of the views of His Highness the Maharajah's Government as to the further prosecution of the negotiations with Mr. Leslie.

G.O., No. 1148 R., dated 23rd October 1889.
Despatch to Secretary of State, No. 15/1148 R., dated 23rd October 1889.
Despatch from Secretary of State, No. 2 R., dated 19th December 1889
Letter from Mr. Leslie, dated 7th January 1890.

2. I am to state that the first step is to obtain from the promoters a carefully prepared working survey of the line and an estimate based thereon, and that these are essential before negotiations for the construction of the line can be carried any further.

G.O., dated 13th May 1890, No. 645 R., Public Works.

From the Resident in Travancore and Cochin, to the Chief Secretary to Government, Fort St. George, dated 15th April 1890, No. 54.

With reference to enclosed copy of a letter from the Dewan of Travancore, No. 1276/P 192, dated 1st April 1890, I have the honor to state that this letter refers to No. 55, Political, of 3rd February 1890, from Joint Secretary to Government, Public Works Department, Railway, and I request your attention to my No. 133 of 30th October 1889, and request the favor of an early reply.

ENCLOSURE.

From the Dewan of Travancore, to the British Resident of Travancore, dated Trivandrum, 1st April 1890, No. 1276/P 192.

[*Subject.*—Extension of Railway into Travancore.]

I have the honor to acknowledge your letter No. C 29, dated the 17th ultimo, and to return the enclosures.

2. Before granting Mr. Leslie permission to make surveys and estimates for the proposed railway from Tinnevelly to Quilon *viâ* the Ariankavoo Pass, His Highness' Government would wish to be favored with the views of His Excellency the Right Honorable the Governor in Council on the subject of the light railway from Trivandrum to the Aramboli frontier referred to in my letter No. 5210/P 254, dated the 22nd October 1889.

3. If the Government of Madras are of opinion that the proposed light railway is not desirable, His Highness' Government will be prepared to accord sanction for surveying the line from Tinnevelly to Quilon and for preparing the necessary estimates, on the understanding that this Government will not be liable for any of the expenses attending the work, if the further

negotiations with the firm represented by Mr. Leslie do not result in an agreement for the construction of the line. If a contract is finally entered into with them, the cost of survey will, I presume, be part of the capital expended on the construction.

4. I should also like to mention with regard to the proposal to pay the guaranteed interest in sterling money, that His Highness' Government would wish, in the further negotiations, to fix a limit to the value of the rupee, below which, if the exchange falls, payment will not be claimable at the rate of depreciation but only at the fixed point.

Transferred to the Public Works Department (Railway Branch).

(Signed) J. F. PRICE,
Chief Secretary.

24th April 1890.

Order—dated 13th May 1890, No. 645 R., Public Works.

Ordered that the following letter be addressed to the Resident in Travancore and Cochin in the Political Department.

(True Extract.)

(Signed) SIDNEY SMITH, Major, R.E.,
Under-Secy. to Govt., P.W.D.,
Railway Branch.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to the Resident in Travancore and Cochin, dated 17th May 1890, No. 257.

I am directed to acknowledge the receipt of your letter, No. 54, dated 15th April last, forwarding a letter from the Dewan of Travancore, in which he requests to be favored with the views of His Excellency the Governor in Council on the subject of a light railway from Trivandrum to the Aramboli pass referred to in his letter, No. 5240/P 254 of the 22nd October 1889.

2. In reply, I am directed to state that the question of railway extension into Travancore must be decided by His Highness' Government; but that in the opinion of His Excellency the Governor in Council the proposed light railway or system of light railways within the Travancore frontier cannot be regarded as an alternative to the larger project. The question is whether or not the Travancore Government desire that the country shall be connected with the railway system of India, and are prepared to incur sacrifices and liabilities to secure this object. The construction of a steam tramway to the Aramboli pass will be hardly even a step towards it. Such tramway would doubtless benefit the country through which it might pass as regards local trade; but as to the larger object it would be of no account. That object of course cannot be obtained without sacrifices.

3. I am to request that the Durbar may be asked to state whether it desires that the proposals in the Dewan's letter of the 1st April should be transmitted to Mr. Leslie.

From W. LESLIE, Esq., to the Joint Secretary to Government, Public Works Department, Railway Branch, dated Branch Elphinstone Hotel, Madras, 10th June 1890.

Proposed Tinnevelly-Quilon Railway.

[Reference my letter of 7th January.]

I have the honor to request that you will kindly inform me what has been done with regard to the arrangements for a working survey of the above proposed line of railway.

2. I am quite prepared to pay all the costs of the survey which will go as part cost of construction.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to W. LESLIE, Esq., Branch Elphinstone Hotel, Madras, dated 19th June 1890, No. 862 R.

In reply to your letter of the 10th instant inquiring what has been done with regard to the arrangements for a working survey of the proposed Tinnevelly-Quilon Railway, I am directed to inform you that the question of construction of this railway line is under consideration of the Government of Travancore.

———

G.O., dated 24th June 1890, No. 897 R., Public Works.

From the Resident in Travancore and Cochin, to the Chief Secretary to Government, Fort St. George, dated Trivandrum, 11th June 1890, No. 92.

With reference to para. 3 of your letter, Political No. 257, dated the 17th May 1890, I have the honor to transmit, for the information of His Excellency the Governor in Council, copy of a letter from the Dewan of Travancore, No. 2416/P 260 of 9th instant, intimating that the proposals contained in his letter, No. 1276 of 1st April, may be communicated to Mr. Leslie, as His Highness' Government are prepared to connect this State with the Indian Railway system by a narrow gauge line.

———

ENCLOSURE.

From the Dewan of Travancore, to the British Resident of Travancore, dated Trivandrum, 9th June 1890, No. 2416/P 260.

I have the honor to acknowledge your memorandum No. 537, dated the 31st ultimo, and to say in reply that the proposals in my letter, No. 1276, dated the 1st April, may be communicated to Mr Leslie, as His Highness' Government are prepared to connect this State with the Indian Railway system by a narrow gauge line.

———

Transferred to the Public Works Department, Railway Branch, with reference to G.O., No. 645 R., dated 13th May 1890.

(Signed) J. F. PRICE,
Chief Secretary.

17th June 1890.

———

Order—dated 24th June 1890, No. 897 R., Public Works.

Paragraphs 2 and 3 of the Dewan's letter, No. 1276/P 192 of 1st April 1890, will be communicated to Mr. Leslie.

(Signed) R. R. E. DRAKE-BROCKMAN, Lt.-Col., R.E.,
for Joint Secy. to Govt., P.W.D.,
Railway Branch.

———

Read also the following papers:—

From Messrs. C. ARMSTRONG and Co., to His Excellency the Right Honorable the Governor of Madras, dated 34, Old Broad Street, London, E.C., 15th June 1890.

Tinnevelly to Quilon Railway.

In August 1887 we despatched our Agent, Mr. William Leslie, to Madras, to negotiate on our behalf with your Government and that of Travancore for a concession to construct—

Firstly, a proposed line of railway from Tinnevelly to Quilon.
Secondly, from Tinnevelly to a point on the South Indian Railway.

After a communication from the Travancore Government we addressed the following letter to Her Majesty's Secretary of State for India:—

5th November 1889.

To the Right Honorable Viscount CROSS, G.C.B.,
Her Majesty's Secretary of State for India.

MY LORD,

Some 18 months ago we despatched our Agent, Mr. William Leslie, to Madras, to negotiate on our behalf with the Governments of Madras and Travancore for a concession to construct—

Firstly, a proposed line of railway from Tinnevelly to Quilon.
Secondly, from Tinnevelly to a point on the South Indian Railway.

Since that date Messrs. Skinner and Company, Merchants, of 3 and 4, Great Winchester Street, E.C., have become associated with us in the business.

On the 20th June 1889, Mr. Leslie, acting upon our instructions, laid our proposals before the representatives of the above Governments in letters addressed, firstly, to J. C. Hannyngton, Esq. (British Resident of Travancore); secondly, to the Chief Secretary to the Government of Madras, Ootacamund, copies of which we have the honor to enclose.

The former letter our agent followed up with a visit to Trivandrum, and submitted his proposals in person to His Highness the Maharajah's Minister.

In support of our agent's authority to act in our behalf, we have now the honor to lay before your Lordship's Department the terms upon which we are prepared to find the necessary capital to construct and equip the above lines of railway.

We are prepared to provide the necessary capital for the proper construction and equipment and carrying out of the works of the line of railway from Tinnevelly to Quilon, and from Tinnevelly to a point on the South Indian Railway, in accordance with the Government surveys, upon the following conditions:—

(1) That the Government of Travancore do guarantee interest on £600,000 sterling of capital at the rate of £4 per centem per annum, *i.e.*, £24,000 sterling per annum. The £600,000 of capital to represent the proportionate capital of the line in Travancore territory.
(2) The above guarantee to be for a period of not less than 15 or 20 years.
(3) The guaranteed interest, amounting to £24,000 sterling per annum, to be payable half-yearly from the date of the payment of the first monies when the issue is made in London.
(4) That Her Majesty's Government do place the land necessary for the construction of the line free at our disposal, and that Her Majesty's Government do construct the telegraph lines.

By mutual agreement between Messrs. Skinner and Company and ourselves, our agent has been instructed to apply for the concession in the name of Alan Cameron Skinner, being one of the partners in the firm of Skinner and Company before mentioned.

We trust that the foregoing terms may meet with your approval, and that your Lordship may be pleased to recommend the application.

For your Lordship's satisfaction, we beg to inform you that we are merchants and bankers in the city of London, and that our clearing bankers are Messrs. Brown, Janson and Company of London.

We have the honor to be
Your Lordship's obedient servants,
ARMSTRONG and Co.

who after the receipt of our letter, we were given to understand, expressed his approval of the same.

Our agent now informs us that before the concessions will be granted by your Government the completed surveys must be made.

The cost of these surveys have been estimated by our Engineer at about £15,000, and as we have already expended a considerable sum on the enterprise, we are not inclined to sink a further sum of money in completing the surveys unless we have the assurance of your Government, that the concessions will be granted to our associate, Mr. Alan Cameron Skinner, if we complete the necessary surveys.

We would therefore beg your Lordship to consider this our application and to state whether the above concessions will be granted to us in the event of our laying out a further large sum of money in the surveys and incidental expenses.

From W. LESLIE, Esq., to the Secretary to Government, Public Works Department, Railway Branch, dated Branch Elphinstone Hotel, Madras, 5th July 1890.

I have the honor to acknowledge the receipt of the Proceedings of the Madras Government embodying paragraphs 2 and 3 of the Dewan of Travancore's letter, No. 1276/P 192 of 1st April 1890, and giving sanction for the final survey and estimates of the line of railway from Tinnevelly to Quilon which will be taken in hand as quickly as possible.

2. I shall be very pleased to know if the Government of Madras can supply Engineers for the survey, of course the payment and allowances of such Engineers as are supplied by the Government would be paid by the company.

ENCLOSURE.

From W. LESLIE, Esq., to the British Resident of Travancore, dated Branch Elphinstone Hotel, Madras, 5th July 1890.

Tinnevelly-Quilon Railway.

I have the honor to send you herewith copy of Proceedings of the Madras Government granting sanction for the final survey and estimates of the above line and containing paragraphs Nos. 2 and 3 of the Dewan of Travancore's letter, No. 1276/P 192 of 1st April 1890, to the Government of Madras. The cost of the survey will go as part cost of construction.

2. The question of exchange does not enter into the negotiations as the capital is provided in sterling and sterling interest guaranteed by His Highness' Government.

From W. LESLIE, Esq., to the Secretary to Government, Public Works Department, Railway Branch, dated Branch Elphinstone Hotel, Madras, 2nd August 1890.

I have the honor to address you with reference to G.O., No. 897 R., of 24th June, and to my letter in reply, dated 5th July, with reference to the sanction for surveying the line of railway from Tinnevelly to Quilon.

2. On receipt of your G.O., No. 897 R., I called upon the Acting Secretary to Government, Railway Branch, and understood from my conversation with that official that the order referred to was all that was necessary, and I advised my friends in London accordingly. I have now received a telegram from them asking for "the original official authority to be sent" and shall feel obliged if you will send me the formal sanction of Government to my undertaking the survey of the railway from Tinnevelly to Quilon, by wire, or letter, in time to reach me to catch Wednesday's mail from Madras which closes at 4-30 P.M. At the same time I shall be glad to hear from you with regard to lending Government Engineers for the final survey and estimates referred to in my letter of 5th July.

3. I enclose for your information a copy of my letter to the British Resident of Travancore, dated 5th July.

Telegram to W. LESLIE, Esq., Branch Elphinstone Hotel, Madras, dated 4th August 1890.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to W. LESLIE, Esq., Branch Elphinstone Hotel, Madras, dated 4th August 1890, No. 3274 C.

I am directed to acknowledge the receipt of your letter, dated 5th July, asking if the Government of Madras can supply Engineers for the survey of a line from Tinnevelly to Quilon through the Ariankavoo pass, and I am to state in reply that the Government regrets that owing to pressure of work elsewhere it will not be possible at the present time to lend any Engineers for the proposed survey.

2. I am moreover to point out that two trial surveys have already been made along the route proposed and approximate estimates of cost have been framed. The first by the South Indian Railway from Tinnevelly to the Ariankavoo pass and thence by a south-westerly route to Quilon with a branch to Trivandrum, estimated to cost as under:—

	RS.
Tinnevelly to Quilon, 106 miles—	
In British territory	33,60,741
In Travancore State	70,39,403
Total ...	104,00,144
Branch from above to Trivandrum, 35 miles	25,69,627
Grand Total ...	129,69,771

The second by the Chief Engineer, Travancore State, from Tinnevelly to the Ariankavoo pass and thence by a more northerly route than that followed by the South Indian Railway to Quilon with a branch to Trivandrum, estimated to cost as under:—

	RS.
Tinnevelly to Quilon, 106 miles—	
In British territory	33,60,741
In Travancore State	59,54,882
Total ...	93,15,623
Branch from above to Trivandrum, 44 miles	29,85,258
Grand Total ...	123,00,881

In explaining the difference in cost of the two routes it is stated that from the Ariankavoo pass to Quilon the surveys made by the Chief Engineer, Travancore State, were through an easier country than those made by the South Indian Railway, and that a cheaper style of stations was also estimated for.

3. It would therefore appear from the surveys and estimates that have been made that a railway can be constructed from Tinnevelly to Quilon through the Ariankavoo pass for about Rs. 100,00,000, of which Rs. 30,00,000 would be the cost of the portion in British territory and Rs. 70,00,000 in the Travancere State; and that a branch to Trivandrum would cost a further sum of from Rs. 25,00,000 to Rs. 30,00,000. These surveys and estimates should, it is considered, be sufficient to enable the Government of Madras and the Travancore State to come to terms with the company for the construction of the railway referred to.

4. Under the circumstances I am directed to suggest that the time appears to have now arrived for formulating definite proposals for the construction of the railway rather than for making further surveys and estimates.

From W. LESLIE, Esq., to the Joint Secretary to Government, Public Works Department, Railway Branch, dated Branch Elphinstone Hotel, Madras, 6th August 1890.

I have the honor to acknowledge the receipt of your letter, No. 3274 C. of 4th August.

2. The definite proposals requested for the construction of the line of railway from Tinnevelly to Quilon will be sent in to you as soon as it is possible to do so after I hear from my friends in London by telegraph in reply to my letter forwarded by to-day's mail.

3. In the meantime I would thank you to furnish me with the detailed estimates made out by the Chief Engineer of the Travancore State, as I do not appear to have been furnished with those, also with a copy of the survey showing the route proposed and oblige.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to Messrs. ARMSTRONG and Co., 34, Old Broad Street, London, E.C., dated 13th August 1890, No. 3391 C.

With reference to your letter of the 19th June last, suggesting certain terms for the construction of the Tinnevelly-Quilon Railway, I am directed to forward a copy of a letter which was despatched to your Agent, Mr. Leslie, on the 4th instant, in reply to a communication from that gentleman on the same subject, and to state that this Government will submit, for the orders of the Government of India, the terms which, in its opinion, should be offered for the construction of the railway, before any negotiations are entered into with the Travancore Government.

From W. LESLIE, Esq., to the Joint Secretary to Government, Public Works Department, Railway Branch, dated Branch Elphinstone Hotel, Madras, 27th August 1890.

With reference to your letter, No. 3274 C. of 4th August, I have the honor to put before you definite proposals to provide the necessary capital for the proper construction and equipment and carrying out of the works of the line of railway from Tinnevelly to Quilon in accordance with the Government surveys on the following conditions:—

1 (*a*). That the Government of Travancore do guarantee interest on £700,000 sterling of capital at the rate of £4 per centum per annum, *i.e.*, £28,000 sterling per annum. The £700,000 to represent the proportionate capital of the line in Travancore territory. This was originally proposed to be £600,000, but is now raised to £700,000, in accordance with para. 3 of your letter above referred to. The former amount would probably have been sufficient had the negotiations been completed before the rise in exchange.

(*b*) The above guarantee to be for a period of not less than 15 or 20 years.

(*c*) The guaranteed interest, amounting to £28,000 sterling per annum, to be payable half-yearly from the date of the payment of the first monies when the issue is made in London.

2. That Her Majesty's Government do place the land necessary for the construction of the line, from Tinnevelly to Shencotta, free at the disposal of the company for the portion through British territory, the company receiving the earnings of that portion of the line, and that Her Majesty's Government do construct the telegraph lines. The capital for this portion will be £300,000 (without interest) thus, making the total capital of the company £1,000,000 sterling.

As there has already been considerable delay in the negotiations in this matter, I beg to press upon you the necessity of at once granting the concessions desired, as the preliminaries have already been accepted, in order that the capital may be raised and the work proceeded with without further delay. In granting the Travancore concession I may point out that it will be necessary to have a clause inserted allowing the company to at any time increase the capital, or to raise debentures, to admit of constructing the Quilon extension to Trivandrum.

I have only now treated with the financial details; the matter of construction, permanent-way, establishment, &c., will be gone into after the concessions have been granted and the surveys and estimates asked for have been put in my possession.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to W. LESLIE, Esq., Branch Elphinstone Hotel, Madras, dated 6th September 1890, No. 752 D.

In reply to your letter of the 6th August last, requesting to be furnished with the detailed estimates made out by the Chief Engineer of the Travancore State and a copy of the survey showing the route proposed for the Tinnevelly-Quilon Railway, I

am directed to state that the Government is not prepared to accede to your request until the views of the Government of India, who has been addressed with regard to the construction of the railway, are known.

From the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to W. LESLIE, Esq., Branch Elphinstone Hotel, Madras, dated 6th September 1890, No. 753 D.

With reference to your letter, dated 27th August, I am directed to inform you that the question, whether any, if so, what concessions should be granted to Messrs. Armstrong and Company or any other company for the construction of the Tinnevelly-Quilon Railway, is under discussion with the Government of India, from whom a reply must be awaited before any further action can be taken.

2. The Madras Government sees no necessity for granting the concessions desired by you at once, and it does not quite understand your allegation that the preliminaries have already been accepted. Should the Government of India decide that the line, if made, is to be a State Railway and constructed by its own officers, the kindly offer of Messrs. Armstrong and Company may possibly be declined.

3. I am also to add this Government entirely fails to see what grounds there are for your proposed increase of capital upon which 4 per cent. interest is proposed to be paid by the Travancore State from £600,000 to £700,000 as the equivalent of Rs. 70 lakhs at 1*s.* 8½*d.* per rupee, the present rate of exchange is about £ 598,000.

Order—dated 9th September 1890, No. 1342 R., Public Works.

Ordered that the Government of India be addressed.

(Here enter No. 1343 R., dated 9th September 1890.)

(True Extract.)

Major, R.E.,
Under-Secy. to Govt., P.W.D.,
Railway Branch.

To the Consulting Engineer for Railways.
„ Political Department.

Exd. J. Moses.
Spare Copies

RAILWAY.

Govt. of {1890} Madras.

PUBLIC WORKS.

Dated September, 9th.

Recd. *Encl.*

G.O., 9th Sept. 1890, No. 1342 R.

SEPTEMBER.

Railway from Tinnevelly to Quilon in the Travancore State

Ordered that the Government of India be addressed on the subject of a —.

13

PUBLIC WORKS DEPARTMENT.

Railway.

LETTER—from

LIEUTENANT-COLONEL T. GRACEY, R.E.,
Officiating Joint Secretary to the Government of Madras,
Public Works Department,
Railway Branch,

To

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

SIR,

I am directed to forward copies of the correspondence marginally noted, embodied in Proceedings of this Government, No. 1342 R., dated 9th September 1890, relative to the construction of a railway from Tinnevelly to Quilon in the Travancore State.

1. Letter from Mr. W. Leslie, dated 5th July 1890.
2. Letter from Messrs. Armstrong and Company, London, dated 19th June 1890, with enclosures.
3. Letter from the Government of Madras, to Mr. Leslie, in reply to (1), No. 3274 C., dated 4th August 1890.
4. Letter from the Government of Madras, to Messrs. Armstrong and Company, in reply to (2), No. 3391 C., dated 13th August 1890.
5. Letter from Mr. W. Leslie, dated 27th August 1890.
6. Letter from the Government of Madras, to Mr. Leslie, in reply to (5), No. 753 D., dated 6th September 1890.

2. The Government of Madras is of opinion that unless the Government of India prefers to make the line a State Railway and construct it with its own Engineers, a contract for its construction might be given to Messrs. Armstrong and Company on the following terms :—

(1) That the land in British territory should be granted free of cost and the telegraph should be constructed by the State as asked for.

(2) That the Travancore State should guarantee 4 per cent. on the capital expended on the portion of the railway lying within that State not exceeding £ 600,000 and the guaranteed interest should be payable in sterling half-yearly.

(3) That the guarantee should not last for more than 15 years.

(4) That the Government of India should have the option of purchasing the railway at the end of the first period of 15 years or at the end of each succeeding period of 10 years thereafter on payment of 25 times the average profits earned by the company during the previous 5 years.

(5) That, if the capital be not fully subscribed by the 1st January 1892, the concession should be at an end.

3. If the Government of India sees no objection to the above terms being granted to Messrs. Armstrong and Company, they will be communicated to the Travancore Government when, if accepted by them, a formal agreement with Messrs. Armstrong and Company can be entered into by that Government who have already expressed their willingness to guarantee 4 per cent. on £ 600,000 sterling.

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

Lieut.-Colonel, R.E.,
Offg. Joint Secy. to Govt., P.W.D.,
Railway Branch.

OOTACAMUND,
9th September 1890.

Exd. J. Moses.
Spare Copies

RAILWAY.

Govt. of {1890} Madras.

PUBLIC WORKS.

Dated September, 9th.

Recd. *Encl.*

9th Sept. 1890, No. 1343 R.

SEPTEMBER.

Railway from Tinnevelly to Quilon in the Travancore State

Forwarding, with remarks, correspondence relative to the construction of a —

5

No. 133

Resident's Office.

Trivandrum 30th Octob 1889

From

J. C. Hannyngton Esquire

Resident in Travancore and Cochin,

To

The Honble J. F. Price

Chief Secretary to Government,

Fort St. George.

Sir,

With reference to G. O. Political Department No. 456 dated 5th September 1889 directing me to communicate to Government the views of the Travancore Sirkar on the proposals submitted by Messrs Cameron Cholholme and Co: on behalf of Messrs Arbuthnot Latham and Co: of London for the construction of the Travancore Section of the Tinnevelly Railway, I have the honor to forward copy of letter No. 5210/1254 of the 22nd Instant from the Dewan of Travancore stating that His Highness' Government have under consideration a scheme for the construction of a light Railway at their own cost from Trivandrum to the frontier at Arambolie, & that should this arrangement commend itself

Note.
× G.O. No. 951 Railway, 23-8-89.

Put up with G.O. No. 9821, 31-10-89

itself to His Excellency the Governor in
Council the Travancore Government
would wish to defer the considerations
of the proposals made for the construction
of the Arantaooo line

I have the honor to be,
Sir
Your Most Obedient Servant

Lieutt
A Assistant Resident
for Resident.

P.W. 5/9.89.456

6P

77 Nov 189

Transferred to the P.W. (Railway) Dept.

Ledwidge

Chief Secy

A.S.P.

5/11

Date

Nº 226 R d/17-3-81 Nº 16 285 R d/1-4-78
· 592 R d/16-9-81 · 1070 R d/4-10-83
· 593 R d/16-9-81 · 723 R d/1-1-83
· 689 R d/28-10-81 · 74 R d/27-1-80
· 82 R d/23-1-82 · 351 R d/15-3-83
· 805 R d/14-12-81 · 29 R d/8-4-83
· 5 R d/9-1-82 · 157 R d/9-5-83
· 188 R d/21-3-82 · 357 R d/19-6-83
· 73 R d/1-2-82
· 267 R d/6-6-82
· 168 R d/23-2-83
· 1018 R d/22-9-83
· 1383 R d/6-12-83
· 1384 R d/6-12-83
· 784 R d/29-7-84
· 437 R d/18-6-87
· 157 R d/18-2-87
· 487-8 R d/17-6-86
· 1379 C d/12-3-87
· 1354 C d/15-3-87
· 1148 R d/23-10-87 Ord.
· 952 R d/20-8-87

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Qu

rela

No 1378 R d/12 Dec. 1887

Recorded.

S/9 C.S.O.

R.

CN 766

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1889.

Political Department.

From

The Resident in Travancore & Cochin,

To

The Chief Secretary to Government,
Fort St. George.

Dated 30th October

Received 3rd November 1889

No. 133.

Enclosure. one.

Reod 13/11/89

UNDER SECRETARY
3 NOV 89
PUBLIC ETS DEPTS.

Railway in Travancore
Forwarding copy of a letter
from the Dewan of
Travancore stating that
the Construction of a
light Railway is under
consideration and that
the question of opening
the ariencavoo line
may be deferred

Endorsed

10

No 5210/P 254.

Huzur Cutcherry
Trivandrum, 22nd October 1889.

To

J. C. Warrington Esquire
British Resident of Travancore.

Sir,

Subject.

The construction of a light Railway from Trivandrum to the Frontier.

I have the honor to acknowledge your letter noted in the margin.

2. You will have observed from my letter no. 4061/P 188 dated the 22nd ultimo that His Highness' Government have under consideration a scheme for the construction of a light Railway at their own cost from Trivandrum to the frontier at Arambolie. The Chief Engineer thinks this may be built for about 10 lakhs of Rupees, but he has not yet matured his plans. His Highness' Government would wish to defer the question of constructing the larger Railway till they arrive at a decision in regard to the light Railway. The latter, if feasible, will have the following advantages.

(a) That it can be constructed with funds

No. 65 dated 15th January 1889.
No. 798 - 14 " Sept. -

3

funds which can be made available by the State without entering into engagement with a large Company of capitalists in Europe which might lead to misunderstandings, complications and embarrassments.

(b) That the construction of the larger Railway will necessitate a provision of from 3 to 4 lakhs of Rupees a year for many years to come, on account of interest on the capital expended by the Company and a further provision of from 4 to 5 lakhs a year in order to form a fund for eventually buying out the Company after 20 or 25 years. Thus about 7 or 8 lakhs will have to be annually set aside from the ordinary revenues of the country, and this diversion must necessarily reduce our grant for Public Works and retard in other directions also, for several years improvements in the administration, and the development of the country in various ways.

(c) That if the capital outlay on the larger Railway is expected after some years

years to yield 4 per cent, (which I doubt) the light Railway which will cost only one tenth or say at the most, one fifth of the other, should yield forthwith at least 6 per cent on the money expended, and instead of our paying out a subsidy of 3 or 4 lakhs a year to a Company for the traffic carried, the traffic will return to the State a good dividend which will go to add to the ordinary revenue available for improvements.

(d) That a light Railway admits of easy extension to ports and centres of trade and these branches will serve as feeders to the trunk road. For instance, in one year, a branch might be carried to the port of Colachel, 15 miles, past the large market at Eranil. A year or two later, another branch might be taken to Poovar, a third later on to Tinvellay, and so on to gradually develope the country. The main line thus accumulating trade as it goes along, will after supplying of the capital, discharge the rest of its freight into the back-waters at Valley, to be carried to ports and

 markets

funds which can be made available by the State without entering into engagement with a large Company of capitalists in Europe which might lead to misunderstandings, complications and embarrassments.

(b) That the Construction of the Larsa Railway will necessitate a provision of from 3 to 4 lakhs of Rupees a year for many years to come, on account of interest on the capital expended by the Company and a further provision of from 4 to 5 lakhs a year in order to form a fund for eventually buying out the Company after 20 or 25 years. Thus about 7 or 8 lakhs will have to be annually set aside from the ordinary revenues of the country, and this diversion must necessarily reduce our grant for Public Works and retard in other directions also, for several years improvements in the administration, and the development of the country in various ways.

(c) That if the capital outlay on the Larsa Railway is expected after some years

years to yield 4 per cent, (which I doubt) the light Railway which will cost only one tenth or say at the most, one fifth of the other, should yield forthwith at least 6 per cent on the money expended, and instead of our paying out a subsidy of 3 or 4 lakhs a year to a Company for the traffic carried, the traffic will return to the State a good dividend which will go to add to the ordinary revenue available for improvements.

(d) That a light Railway admits of easy extension to ports and centres of trade and these branches will serve as feeders to the trunk road. For instance, in one year, a branch might be carried to the port of Colachel, 15 miles, past the large market at Eraniel. A year or two later, another branch might be taken to Poovar, a third later on to Tiruvattar, and so on to gradually develope the Country. The main line thus accumulating trade as it goes along, will after supplying of the capital, discharge the rest of its freight into the back-water at Valiey, to be carried to ports and

markets

markets in the north by inland water communication.

3. The disadvantage is that it will be an isolated link, but if the line is found paying and sufficient for our traffic for some years to come, the South Indian Railway might be disposed to extend their line to our frontier, or themselves or any other Company could continue our light Railway to Tinnevelly after the experience of 2 or 3 years. There will still be the necessity for breaking bulk at Tinnevelly owing to the different gauges of the two lines, but the mere facility of uninterrupted Communication would not in itself, I think, justify our embarking on a large undertaking and subjecting ourselves to heavy and long-continued liabilities with very indefinite ideas of the trade which the large Railway will carry, if the light Railway will answer the purposes of existing trade. When that trade is better developed or if the light Railway is found by the experience of a few years to be insufficient for our purposes,

the

large undertaking might be entered upon, with greater confidence of success. In that case, the money spent on the local line would be no waste, as that line would still be required for local traffic between South Travancore and the backwater system. In fact, when the Railway from Tinnevelly to Quilon via Shencotta was proposed, it was understood that after its construction, a light line would be built for the convenience of the Southern trade. The present proposal aims at no more than giving precedence to the light Railway to the South and proceeding further, if necessary, with the knowledge gained by its working.

4. Should this arrangement commend itself to you and His Excellency the Governor in Council, His Highness Government would wish to defer the consideration of the proposals made for the construction of the Arieancavoo

line.

5

lind. I request to be favored with your
advice.

Thanks &c.
[Sd] T. Ramakow
Dewan.

[True copy]

[Sd] Lt. Col
Asst. Resident
for Resident.

Encl. 1
Desp. No. 802
[illegible]

In Rel. to Cons. 4th Aug 89

1342

B

No. 1378 R of 12th Dec 89

7

Inserto
Rg 10.802
F 35

In Roll. cen. 9 Dic 89

1342

B.
No. 1378 R del 12 Dicembre 89

7

Print the portions marked PWC 10804 below

Public Works Secretariat,

Railway Branch.

Station _____ date _____ 188 .

OFFICE NOTE.

No action appears to me called for on the letter from the Accountant General dismissing the Tinnevelly Quilon Railway scheme, and it must await the result.

C. Ibbetson 13/12

13. Dec.

Recorded

Rs 1378 R 12" Decrease.

Recorded.

C.I.I
9.12.9

R

India Office,
London, 19th December 1889.

Railway.
No. 2.

To His Excellency The Right Honourable The Governor in Council, Fort St. George.

My Lord,

Proposed formation of a Company to construct a line of railway between Tinnevelly and Quilon.

On receipt of your Excellency's Public Works Letter No. 15/1148 R., dated the 23rd October 1889, respecting the proposed Tinnevelly to Quilon Railway, I caused inquiries to be made respecting the position and competency of Messrs. Armstrong & Co., of 34, Old Broad Street, to carry out the scheme in question, and I have now to inform your Government that the firm is reported to be one of good standing and likely to carry their proposals into effect.

2. Messrs. Armstrong and Co. have recently addressed a communication on the subject of their scheme to this Office, copy of which, and of the reply which I have caused to be made to it, are enclosed for your information.* You will perceive that Messrs. Armstrong have been informed that working surveys of the line proposed are essential before negotiations can be carried any further. When these are completed, and reliable estimates have been made of the cost, it will rest with your Government to consider, in communication with the Government of India, what steps should be taken by the Travancore State, in communication with your Government, for coming to an arrangement which shall form the basis of a concession to the promoters for the formation of a Company to carry out the project.

3. As it will be desirable, in the event of terms being arrived at, that the formal contract, embodying the same, should be drawn up in this country, I request that I may be furnished with a report of such negotiations as may take place, and full particulars of the conclusions arrived at by the several parties.

I have the honour to be,
My Lord,
Your Lordship's most obedient humble Servant,

A Ivor.

* Letter from Messrs. Armstrong, dated 5th November 1889.
Ditto to ditto, dated 11th December 1889.

9780

33

ENCLOSURES.

No. 1.

34, Old Broad Street, London, E.C.,
5th November 1889.

Your Lordship,

Some 18 months ago we despatched our agent, Mr. William Leslie, to Madras, to negotiate on our behalf with the Governments of Madras and Travancore for a concession to construct,—

Firstly, a proposed line of railway from Tinnevelly to Quilon.

Secondly, from Tinnevelly to a point on the South Indian Railway.

Since that date, Messrs. Skinner & Co., merchants, of 3 and 4, Great Winchester Street, E.C., have become associated with us in the business.

On the 20th of June 1889, Mr. Leslie, acting upon our instructions, laid our proposals before the representatives of the above Government, in letters addressed, first, to J. C. Hannyngton, Esq. (British Resident of Travancore); second, to the Chief Secretary to the Government of Madras, Ootacamund, copies of which we have the honour to enclose.

The former letter our agent followed up with a visit to Trevandrum, and submitted his proposals in person to His Highness the Maharajah's Minister.

In support of our agent's authority to act in our behalf, we now have the honour to lay before your Lordship's Department the terms upon which we are prepared to find the necessary capital to construct and equip the above lines of railway.

We are prepared to provide the necessary capital for the proper construction and equipment, and carrying out of the works, of the line of railway from Tinnevelly to Quilon, and from Tinnevelly to a point on the South India Railway, in accordance with the Government surveys, upon the following conditions:—

(1*a*.) That the Government of Travancore do guarantee interest on 600,000*l*. sterling of capital at the rate of 4 per centum per annum, *i.e.*, 24,000*l*. sterling per annum. The 600,000*l*. of capital to represent the proportionate capital of the line in Travancore territory.

(1*b*.) The above guarantee to be for a period of not less than 15 or 20 years.

(1*c*.) The guaranteed interest, amounting to 24,000*l*. sterling per annum, to be payable half yearly from the date of the payment of the first moneys when the issue is made in London.

(2.) That Her Majesty's Government do place the land necessary for the construction of the line free at our disposal, and that Her Majesty's Government do construct the telegraph lines.

By mutual agreement between Messrs. Skinner and Company and ourselves, our agent has been instructed to apply for the concession in the name of Alan Cameron Skinner, being one of the partners of the firm of Skinner and Company before mentioned.

We trust that the foregoing terms may meet with your approval, and that your Lordship may be pleased to recommend the application.

For your Lordship's satisfaction, we beg to inform you that we are merchants and bankers in the city of London, and that our clearing bankers are Messrs. Brown, Janson, and Company, of London.

We have, &c.,
(Signed) C. Armstrong & Co.

The Secretary of State
for India.

10

P.W. 2521. No. 2.

Gentlemen,

India Office,
11th December 1889.

In reply to your letter dated 5th November 1889, I am directed to inform you that your proposals for the formation of a Company to construct a line of railway between Tinnevelly and Quilon have been laid before the Secretary of State for India in Council, who has requested the Government of Madras, in communication with the Government of India, to consider what steps should be taken with a view to the prosecution of this undertaking.

Before any further action can be taken in the matter, it is necessary, however, that working surveys of the proposed line should be made, on which an accurate estimate of the probable cost can be based, and I am to suggest, therefore, that your agent in India should place himself in communication with the Government of Madras in view to such surveys being made, on the completion of which the further arrangements for formation of a Company can be considered by Government.

The Government of Madras have been addressed in the sense of this letter.

I am, &c.,

Messrs. Armstrong & Co. (Signed) HORACE WALPOLE.

No. 15 / 1148R 4/23-10-89.
" 1148R - 23-10-89
" 1378R - 12-12-89
" 1379R - 12-12-89
" 952R - 30-8-89
" 488R - 17-6-86
" 474D - 5-7-87
" 487R - 17-6-86
" 73R - 1-2-82
" 188R - 21-3-82
" 5R - 9-1-82
" 805R - 14-12-81
" 42R - 23-1-82
" 689R - 28-10-87
" 593R - 16-9-81
" 592R - 16-9-81
" 226R - 17-3-81

36C 4 6-1-90
1279C - 12-3-89
1383R - 6-12-83
1384R - —do—
1019R - 22-5-83
169R - 23-2-83
1018R - 22-9-83
168R - 23-2-83
367R - 6-6-82
784R - 29-7-84
1148R - 23-10-89 orig:

I.W.D. Rly.

H.m. 15-1-90 R 17-1-90

Received 8th January 1890

R

No 8

PWC No: 333

Railway

19th December 1889

The
Letter to Fort St George
No 2 + Enclosures

R 14.1.90

1100

31

Branch Elphinstone Hotel
Madras 7th January 1890

From.

W. Leslie

To.

Col. C. I. Smith R.E.
Joint Secretary to Government P.W.D.
Railway Branch

Sir

Proposed Tinnevelly Quilon Railway

I have the honor to address you with reference to a letter I received by last Mail from my principals in London informing me that they had received a Communication, on the 12th ultimo, from the India Office to the effect that our proposals have been laid before the Secretary of State for India in Council who has requested the Government of Madras, in Communication with the Government of India, to consider what steps should be taken with a view to the prosecution of the above undertaking.

No 12

14

May 1890

120

39

It is suggested that I should put myself in communication again with the Government of Madras in view of arranging for the necessary Working Survey of the proposed line on which an accurate Estimate & its probable cost can be based, and I shall be very pleased to have the views of Your Government thereon.

I have the honor to be
Sir
Your most obed.t Serv.t
Wheeler

13

14

H.m. 15-1-90 R 17-1-90

Received 6 Jany 1890

PWC № 1890

H.m. 15-1-90. R. 17-1-90

H.m. 15-1-90 R 17-1-90

Received 5 Jany

No. 55

1300

Government of Madras.

41

Print

PUBLIC WORKS DEPARTMENT.

To

The Resident in Travancore

3rd February January 1890.

Oct 47/ 27 Jan

Sir,

G.O. No. 1148 R dy 23d. Octr 87

Despatch to Secy of State No 15/1148 R dy 23d Octr 87

Despatch from Secy of State No 2 Ry dy 19th December 1889.

Letter from Mr. Leslie dy 7th Jany 90

I am directed to forward the correspondence noted in the margin on the subject of the proposed Tinnevelly Dudlow Railway and to request the favor of an expression of the views of H.H. the Maharajah's Government as to the further prosecution of the negotiations with Mr. Leslie.—

2. I am to state that the first step is to obtain

14 from

May 1905

from the Promoters a carefully prepared working Survey of the line, and an estimate based thereon (tap) and, these are essential before negotiations for the construction of the line can be carried any further.

C.S.S.
20.1.90
R

22/1

No 425

No 54

Resident's Office, Malabar Circuit
Received 15th April 1890.

From

J. C. Hannyngton Esquire.
Resident in Travancore and Cochin,

To

The Honble J. Grose
Chief Secretary, to Government,
Fort St. George.

Sir,

With reference to enclosed copy of a letter from the Dewan of Travancore No 1276/1192 dated 1st April 1890, I have the honor to state that this letter refers to No 55 Political of 3d February 1890 from Joint Secretary to Government P. W. D Railway and I request your attention to my No 133 of 30th October 1889 and request the favor of an early reply.

I have the honor to be
Sir
your most obedient Servant
Hannyngton
Resident.

15

Dl. Secy 21-1-90.
R. 24-1-90 R. 27-1-90

May 1890

N° 1276/P192

Huzur Cutcherry
Trivandrum 1st April 1890.

To.

J. C. Hannyngton Esquire.
British Resident of
Travancore
&c &c &c.

Sir,

Subject
Extension of Railway into Travancore.

I have the honor to acknowledge your letter W. C. 29 dated the 17th ultimo, and to return the enclosures.

Before granting Mr. Leslie permission to make surveys and estimates for the proposed Railway from Tinnevelly to Quilon vid the Arienkavoo pass, His Highness' Government would wish to be favoured with the views of His Excellency the Right Honorable the Governor in Council on the subject of the light Railway from Trivandrum to the Aramboli frontier referred to in my letter N° 5210/P254 dated the 22d October 1889.

If the Government of Madras are of opinion that the proposed light Railway is not desirable, His Highness' Government will be prepared to accord sanction for surveying

16

surveying the line from Tuticorin to Quilon and for preparing the necessary estimates, on the understanding that this Government will not be liable for any of the expenses attending the work, if the further negotiations with the firm represented by Mr. Leslie do not result in an agreement for the construction of the line. If a contract is finally entered into with them, the cost of survey will I presume be part of the capital expended on the construction.

I should also like to mention with regard to the proposal to pay the guaranteed interest in sterling money, that His Highness' Government would wish, in the further negotiations, to fix a limit to the value of the Rupee, below which, if the Exchange falls, payment will not be claimable at the rate of depreciation but only at the fixed point.

I have &c.

(signed) T. Ramarow

Dewan

(True Copy)

Resident

17

49

Pl Enl
4657/80

1
In Pol c 425/98

18

P.W.C. No. 4657

8/24-4-90

Transferred to the P.W. Dept. (Railway) Branch.

Secretary
Chief Secretary

22/4/90

Pol. Cons. 425

1890.

Political Department.

From

The Resident in Travancore & Cochin,

To

The Chief Secretary to Government,
Fort St. George.

Dated 16 April 1890

Received 21-4-90

No. 54.

Enclosure. one

SECRETARY TO GOVERNMENT P.W. DEPARTMENT, MADRAS.
21 APR 90
GOVERNMENT OF MADRAS

Travancore Light Railways

Forward copy of letter from the Dewan of Travancore regarding — and requesting early reply to his No. 123 of 30 Oct. 89

Transferred

B

No. 645 R.

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

51

PROCEEDINGS OF THE MADRAS GOVERNMENT.

UNDER date the 13th May 1890.

READ the following

Letter from the Resident in Travancore & Cochin } No. 54 dated 15th April 1890.

1890

Ordered that the following letter be addressed to the Resident in Travancore and Cochin in the Political Department.

W
for R

To

The Political Department

Copy despatched with copy of draft letter to the Resident in Travancore and Cochin.
13th May 1890.

B.
No. 645 Rg 13th May/90.

No. 257 1900

Government of Madras. 53

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

To

The Resident in

Travancore and Cochin

17th May 1890.

Sir,

I am directed to acknowledge the receipt of your letter No. 54 dated 15th April last, forwarding a letter from the Dewan of Travancore in which he requests to be favoured with the views of His Excellency the Governor in Council on the subject of a light railway from Trivandrum to the Aramboli pass ~~frontier~~ referred to in his letter No: 6240/P264 of the 22nd October 1889.

2. In reply I am directed to state that the question of railway

21

railway extension into Travancore must be decided by His Highness Government; but that in the opinion of His Excellency the Governor in Council the proposed light railway or system of light railways within the Travancore frontier cannot be regarded as an alternative to the larger project. The question is whether or not the Travancore Government desire that the country should be connected with the railway system of India, and are prepared to incur sacrifices and liabilities to secure this object. The ~~provision~~ construction of a steam tramway to the Arambolie Pass ~~is not to be regarded~~ will be hardly as even a step towards it. Such tramway could double benefit the country through which it might pass as regards local trade; but as to the larger object it would be of no account. That object of course cannot be obtained without sacrifices

to request that the Dewan

3. I am ~~also to enquire~~ may be asked to state whether ~~whether~~ the proposals in the desire that

Dewan's letter of the 1st April should be transmitted may be forwarded to Mr. Leslie

55

Rueck
6.5.90 W

Thanks for R

SECRETARIAT
27 MAY 90
GOVERNMENT OF INDIA

2200

57

Branch Esplanade Hotel
Madras 10th June 1890

From

W. Leslie

To

The Joint Secretary to Government P. W. D.
Railway Branch

Sir

Proposed Tinnevelly Quilon Rly

+ Files with no 386 C
27-1-90 sent to Ry
on the 7/1/90.
WL 90

Reference my letter of 7th January.

I have the honor to request that you will kindly inform me what has been done with regard to the arrangements for a Working Survey of the above proposed Line of Railway.

I am quite prepared to pay all the costs of the Survey which will go as part Cost of Construction.

I have the honor to be
Sir
Your most obed. Servant.
W. Leslie

23

24

P.W. Coll. 3-4-96

Rd 10-6-90

No. 862R

Government of Madras.

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

To

W. Leslie Esq.

Branch Elphinstone Hotel

Madras

19th June 1890.

Sir,

In reply to your letter of the 10th instant enquiring what has been done with regard to the arrangements for a working survey of the proposed Tinnevelly Tuticorin Railway, I am directed to inform you that the question of construction of this railway line is under consideration of the Government of Travancore.

Rueben
18.6.90
W for R

24

B.

No 862 R dy 19 June 1890.

2300 C 4608

Resident's Office,

No 92

Trevandrum 11th June 1890.

61

From

J. C. Hannyngton Esquire

President in Travancore and Cochin,

To

The Honorable J. F. Price

Chief Secretary, to Government,

Fort St. George.

Sir,

With reference to para 3 of your letter Political - No 257 dated the 17th May 1890, I have the honor to transmit for the information of His Excellency the Governor in Council, copy of a letter from the Dewan of Travancore No 2416 / P. 260 of 9th Instant, intimating that the proposals contained in his letter No 1276 of 1st April may be communicated to Mr. Leslie as His Highness' Government are prepared to connect this State with the Indian Railway system by

25

a

a narrow guage line

I have the honor to be

Sir

Your Most Obedient Servant-

Resident-

2100

No. 2416
P260

Huzur Cutchery
Trivandrum 63
9th June 1890.

To

J C Hannyngton Esqr.
British Resident &.
Travancore

tea tea tea

Sir,

I have the honor to acknowledge your mems. No. 537 dated the 31st ultimo, and to say in reply that the proposals, in my letter No. 1276 dated the 1st april, may be communicated to Mr. Leslie as His Highness' Government are prepared to connect this state with the Indian Railway system by a narrow guage line

I have tea.

[Signed] T Rama Row.
Dewan.

[True copy]

Resident

P.W. No. 7619

Pol Ch 608

1890.

Political Department.

From

The Resident in Travancore & Cochin,

To

The Chief Secretary to Government,
Fort St. George.

Dated 11th June 1890

Received 16th

CHIEF SECRETARY'S OFFICE 16 JUN 90 No. 92 Enclosure. 1

9/17 June 1890

29

Transferred to the Public Works Dept. Railway Branch with reference to G.O. No. 645 R. Dy. 13th May, 1890.

Sd/ Illegible
for Chief Secretary
17.6.90

To Dr. Leslie Esqr. Branch Elphenstone Hotel Madras.

B. No. 897 R. 24th June 1890. Encl 1

Read 19.6.90

15.8.90

Sent 21 June.

Para Nos 2 & 3 of the Dewan's letter

No. 1376/P192 of 1st April 1890 will be communicated to Mr. Leslie.

Rness
20.6.90

30

Ltr 25/6

Ltr 15.7.

Ltr 20/6 - R 21.6.90

Sent 24/6

Railway in Travancore — Regarding the —

B. No. 897 R. 24th June 1890.

Transferred

250

69

Telegraphic Address. "ARMSTRONG — LONDON"

34, Old Broad Street,
London, E.C. June 19th 1890

1 0

H. E. The Right Hon.
Lord Connemara, G.C.I.E.
Governor of Madras.

My Lord

Tinnevelly to Quilon Railway

In August 1887 we dispatched our Agent Mr. Wm. Leslie to Madras to negociate on our behalf with your Government, and that of Travancore for a concession to construct

1st/y A proposed line of Railway from Tinnevelly to Quilon.

2nd/y From Tinnevelly to a point on the South India Railway

After a communication from the Travancore Government we addressed the following letter to H.M. Secretary of State for India:—

A. 31

Rness

P.W.I No. 7619 Sol Chs 008

1890.

2

C £24000 Sterling per annum, to be payable half yearly from the date of the payment of the first monies, when the Issue is made in London.

(4) That H.M. Government do place the Land necessary for the construction of the lines, free, at our disposal, and that H.M. Government do construct the Telegraph lines.

By Mutual agreement between Messrs Skinner & Co, and ourselves, our Agent has been instructed to apply for the Concession, in the name of

Allan Cameron Skinner

being one of the partners in the firm of Skinner & Co before mentioned.

We trust that the foregoing terms may meet with your approval, and that your Lordship may be pleased to recommend the application.

For your Lordships satisfaction, we beg to inform you, that we are Merchants and Bankers, in the City of London, and that our Clearing Bankers are Messrs Brown Janson & Co of London.

We have the honor to be

Your Lordships obedient, Servants

Armstrong & Co

34

who after the receipt of your letter, we were given

190 Bdle

To H. Leslie Esqre
Branch Telephone Service
Madras.

Ohs 15.N.
Hdw 20/6 - R 21.6.90

Hotel 9/7

5th November 1889 71

To the Right Hon'ble Viscount Cross G.C.B
H.M. Secretary of State for India.

(2)

My Lord

Some 18 months ago we dispatched our Agent Mr. Wm. Leslie to Madras to negociate on our behalf with the Governments of Madras and Travancore for a concession to construct ——

Firstly — A proposed line of Railway from Tinnevelly to Quilon

Secondly — From Tinnevelly to a point on the South India Railway

"Since that date Messrs Skinner and Company Merchants of 38/44 Great Winchester "Street. E.C. have become associated with us in the "business.

On the 20th June 1889. Mr. Leslie, acting upon our instructions, laid our proposals before the representatives of the above Governments in letters addressed

Firstly — To J.C. Hannyngton Esqr (British Resident of Travancore)

Secondly — To the Chief Secretary to the Government of Madras.

Copies commend

32

P.W. I No. 7619 Sol. Cho

1890.

copies of which we have the honor to enclose.

The former letter our Agent followed up with a visit to Trivandrum, and submitted his proposals in person to His Highness the Maharajah's Minister

In support of our Agent's authority to act in our behalf, we have now the honor to lay before your Lordship's Department, the terms upon which we are prepared to find the necessary Capital to construct and equip the above lines of Railway

We are prepared to provide the necessary Capital for the proper construction, and equipment and carrying out of the works of the lines of Railway from Tinnevelly to Quilon, and from Tinnevelly to a point on the South Indian Railway, in accordance with the Government Surveys, upon the following conditions ——

(1) That the Government of Travancore do guarantee interest on £600.000 Sterling of Capital at the rate of £4 per centum per annum, i.e. £24000 Sterling per annum. The £600000 of Capital to represent the proportionate Capital of the Line in Travancore Territory

(2) The above Guarantee to be for a period of not less than 15 or 20 years.

(3) The Guaranteed Interest, amounting to

To Dr. Leslie Esqre
Branch Elphinstone Hotel
Bombay.

Telegraphic Address,
"STRONG—LONDON"

34, Old Broad Street,
London, E.C. 188

understand, expressed his approval of the same.

Our Agent now informs us that before Concessions will be granted by your Government completed surveys must be made.

The cost of these surveys have been estimated by our Engineer at about £15000, and as we have already expended a considerable sum on the enterprise, we are not inclined to sink a further sum of money in completing the surveys, unless we have the assurance of your Government, that the Concessions will be granted to our associate Mr Alan Cameron Skinner—if we complete the necessary surveys.

We would therefore beg your Lordship to consider this our application, and to state whether the above concessions will be granted to us in the event of our laying out a further large sum of money in the Surveys and incidental expenses.

We have the honor to be
My Lord
Your most obedient Servants.

Wheelwright

P.W. 1 No. 7619 Sel Ch

1890.

Branch Elphinstone Hotel
Madras 5th July 1890

77

280

From.
W. Leslie

To. The Secretary to Government
Railway Branch

P.W.D

8/7/90

Sir

I have the honor to acknowledge the receipt of the Proceedings of the Madras Government embodying paragraphs 2 and 3 of the Dewan of Travancore's letter No. 1276/P.192 of 12th April 1890 and giving sanction to the final Survey and Estimates of the line of Railway from Tinnevelly to Quilon which will be taken in hand as quickly as possible. I shall be very pleased to know if the Government of Madras can supply Engineers for the Survey, of course the payment and allowances of such Engineers as are supplied by the Government would be paid by the Company

I have the honor to remain
Sir
Your most obedt Servt
Leslie

"Papers on the Budget and both on the 1/7

30

P.W. C.No. 6450.

Enclosure

Copy letter

Branch Secretariat Public Works
Madras 5th July 1890
2926

From. W. Leslie
To. J. C. Hannyngton Esq M.C.S.
British Resident of Travancore
Trevandrum

Sir

Munneully Quilon Railway

I have the honor to send herewith
Copy of Proceedings of the Madras Government
granting sanction for the final Survey and
Estimates of the above line and containing
Paragraphs Nos. 2 & 3 of the Dewan of Travancore's
letter No. 1276 / P. 192 of 12th April 1890 to the Government
of Madras. The Cost of the Survey will go as part
Cost of Construction.

The question of Exchange
does not enter into the negotiations as the
Capital is provided in Sterling and Sterling
interest guaranteed by this Religious Government.

True Copy. W. Leslie
27

D/10/7
Secy 17/7 R 21.7.90

Secy 20/6 - R 21.6.90

Branch Elphinstone Hotel
Madras 2nd August 1890

3007 81

From.
W. Leslie
To
The Secretary to Government
Railway Branch
Ootacamund

Sir

I have the honor to address you with reference to G.O. No 897 R. of 24th June, and to my letter in reply dated 5th July, with reference to the Sanction for Surveying the line of Railway from Tinnevelly to Quilon.

On receipt of your G.O. No 897 R. I called upon the Acting Secretary to Government, Railway Branch, and understood from my conversation with that Official that the Order referred to was all that was necessary, and I advised my friends in London accordingly. I have now received a telegram from them asking for "the Original Official Authority to be sent" and shall feel obliged if You will send me the formal Sanction of Government to my undertaking the Survey of the Railway from Tinnevelly to Quilon, by wire, or letter. in time to

Rly 20/6 - R 21.6.9

Reach me to Catch Wednesdays Mail from Madras which closes at 4.30. P.M. at the same time I shall be glad to hear from you with regard to sending Government Engineers for the final Survey and Estimates. referred to in my letter of 5th July.

I Enclose for your information a copy of my letter to the British Resident of Travancore dated 5th July.

I have the honor to be

Sir

Your most Obedt. Servt.

Wheeler

Mdu 20/6 - R 21.6.90

189 .

P. W. DEPARTMENT.

Current No. 7385

From

Mr. W. Leslie -

ENCLOS.—

No.

Dated 2 - 8 - 90 -

Received 6 - 8 - 90

SUBJECT.

Requesting to be furnished with the formal sanction of Govt. to his undertaking the Survey of the Ry: from Tinnevelly to Guilon —

DISPOSAL.

No. dated

3216

TELEGRAM ~~URGENT~~ ~~DEFERRED~~

85

FROM

R.

To

W. Leslie Esq.
Branch Elphinstone Hotel
Madras

Your letter second August x please apply to Consulting Engineer Madras who has all papers on subject. -

For Mr R
4/8/90

Telegram dated 4-8-90

40

No. 3274.C. 93

Gobernment of Madras. 87

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

To

H. Leslie Esquire,

Branch Elphinstone Hotel

Madras.

4th August July 1890.

Sir,

I am directed to acknowledge the receipt of your letter dated 5th July, asking if the Government of Madras can supply Engineers for the survey of a line from Tinnevelly to Quilon through the Aryankovil pass, and I am to state in reply that the Government regrets that owing to pressure of work elsewhere it will not be possible at the present time to lend any Engineers for the proposed survey.

H.T.J. 26/7/90

41

9

2. I am moreover to point out that two trial surveys have already been made along the route proposed and approximate estimates of cost have been framed.

The first by the South Indian Railway from Tinnevelly to the Arian Kâvil pass and thence by a south westerly route to Quilon with a branch to Trivandrum estimated to cost as under

Tinnevelly to Quilon 106 miles.

In British Territory - 33,60,741
In Travancore State - 70,39,403

Total Rs 104,00,144

Branch from above to
Trivandrum 35 miles - 25,69,627

Grand Total 1,29,69,771

The second by the Chief Engineer Travancore State from Tinnevelly to the Arian Kovil pass and thence by a more northerly route

than that followed by the South Indian Railway to Quilon with a branch to Trivandram estimated to cost as under

Tinnevelly to Quilon 106 miles

In British Territory - 33,60,741
In Travancore State - 59,54,882

Total Rs 93,15,623

Branch from above to
Trivandram 44 miles 29,85,258

Grand Total Rs 123,00,881

In explaining the difference in cost of the two routes it is stated that from the Arian Kovil pass to Quilon the surveys made by the Chief Engineer Travancore State were through an easier country than those made by the South Indian Railway and that a cheaper style

of

of stations was also estimated for.

3. It would therefore appear from the surveys and estimates that have been made that a railway can be constructed from Tinnevelly to Quilon through the Ariankovil pass for about Rs 1,00,00,000 of which Rs 30,00,000 would be the cost of the portion in British territory and Rs 70,00,000 in the Travancore state; and that a branch to Trivandrum would cost a further sum of from Rs 25,00,000 to Rs 30,00,000. These surveys and estimates should it is considered be sufficient to enable the Government of Madras and the Travancore State to come to terms with the Company

30 lakhs

70 lakhs.

35 91.

Company for the construction of the Railway referred to

4. Under the circumstances I am directed to suggest that the time appears to have now arrived for formulating definite proposals for the construction of the Railway rather than for making further surveys and estimates

H
Offr. R.

Letter despd on 4/8
from 2 Rs Offrs

43

3600

93

Branch Telephone Hotel
Madras 6th August 1890

From.

W. Leslie

To.

The Joint-Secretary to Government
Railway Branch. P.W.D.

Sir

I have the honor to acknowledge the receipt of your letter No: 3274 C of 4th August. The definite proposals requested for the Construction of the line of Railway from Tuticorin to Quilon will be sent in to you as soon as it is possible to do so after I hear from my friends in London by telegraph in reply to my letter forwarded by todays mail.

In the meantime I owned thankful you to furnish me with the detailed Estimates made out by the Chief Engineer of the Travancore State, as I do not appear to have been furnished with these, also with

44

No. 3274 C of 4th August 1890

All. 10/7
Mem. 22/7

S.R.
Authorities
Objections to Mr Leslie
having the estimates
supplied

Sent to Secretary with
letter No. 1385 dated
Challapa
Railway, dated
4.8.90

No. 487 R dt 17-6-86

3700 95

with a copy of the Survey shewing the route pursued and oblige.

I have the honor to be
Sir
Your most obed.t Serv.t
Wheeler

P.W. Cir. 7405.

Rd 7-8-90.

No. 339/C 38

C

Government of Madras. 97

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

To

Messrs Armstrong & Co.

34 Old Broad Street

London E.C.

13th August 1890.

~~Sir,~~ Gentlemen

With reference to your letter of the 19th June last, suggesting certain terms for the construction of the Tinnevelly Quilon Railway, I am directed to forward a copy of a letter which was dispatched to your Agent, Mr. Leslie, on the 4th instant, in reply to a communication from that Gentleman on the same subject, and to state that this Government will submit, for the orders of the Govt.

46

H.S. 9/8/90

N. 7528
6.9.90

Ad. 9/8

R

Govt. of India, the terms which, in its opinion, should be asked for the construction of the Railway, before any negotiations are entered into with the Travancore Government. —

For Sd/ C.P.

For Sd/ R

Received with
Secy's No 3274/46
dated 4-8-90

20/4/90

P.W.C. No 7385

No. 3274C a/ 4-8-90.
" 897R - 24-6-90
" 645R - 13-5-90.

Old file
No. 612 - 8/90

For Sd/ R

From Lt. J. H. Carter C.E.

No. 3391C a/ 13th Augt 1890

Branch Telephone Office
Madras 27th August 1890

From. W. Leslie

To. The Joint Secretary to Government
Railway Branch P.W.D.
Ootacamund

Sir

With reference to your letter No. 3274 C. of 4th August. I have the honor to put before you definite proposals to provide the necessary Capital for the proper Construction and Equipment and Carrying out of the works of the line of Railway from Tinnevelly to Quilon in accordance with the Government Surveys on the following conditions.

1. A. That the Government of Travancore do guarantee interest on £7.00.000. Sterling of Capital at the rate of £4. per centum per annum i.e. £28.000. Sterling per annum. Viz £7.00.000. to represent the proportionate Capital of the line in Travancore Territory. This was originally proposed to be £600000. but is now raised to £7.00.000. in accordance with para: 3 of your letter above referred to. Viz

The former amount would probably have been sufficient had the negotiations been completed before the rise in Exchange.

B. The above guarantee to be for a period of not less than 15 or 20 years.

C. The guaranteed interest amounting to £28.000. Sterling per annum to be payable half yearly from the date of the payment of the first monies when the issue is made in London.

2. That Her Majesty's Government do place the land necessary for the construction of the line, from Tsimenelly to Shenetta, free at the disposal of the Company for the portion through British Territory, the Company receiving the earnings of that portion of the line. And that Her Majesty's Government do construct the Telegraph Lines. The Capital for this portion will be £200.000. (without interest) thus making the total Capital of the Company £1.000.000. Sterling

As there has already been considerable delay in the negotiations in this matter I beg to press upon you the necessity of at once granting the Concessions desired, as the preliminaries have already been accepted, in order that the Capital may be raised and the work proceeded with without further delay.

I

4/8

103

In granting the Travancore Concession I may point out that it will be necessary to have a clause inserted allowing the Company to at any time increase the Capital, or to raise Debentures, to admit of constructing the Quilon Extension to Trevandrum.

I have only now treated with the Financial details - the matter of Construction, Permanent Way, Establishment &c, will be gone into after the Concessions have been granted and the Surveys and Estimates asked for have been put in my possession.

I have the honor to be
Sir
Your most obed.t Serv.t
Wheeler

No. 752 D. 42

Government of Madras. 105

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

To

W. Leslie Esq.

Branch Elphinstone Hotel

Madras

6th September 1890.

Sir,

In reply to your letter of the 6th August last requesting to be furnished with the detailed estimates made out by the Chief Engineer of the Travancore State and a copy of the survey showing the route proposed for the Trivandrum Quilon Railway, I am directed to state that the Government is not prepared to accede to your request until the views of the Govt. of India, who has been addressed with regard to the construction of the Railway, are known.

50

Would like letter & plan

Send G. H. Mc with another

If Mr Leslie can returned plan & letter

Return to R Dept

No. 7538 43.

Government of Madras.

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

To

W. Leslie Esq.

Branch Elphinstone Stores

Madras

6th September 1890.

Sir,

With reference to your letter dated 27th August, I am directed to inform you that the question whether any, if so, what concessions should be granted to Messrs Armstrong & Co. or any other Company for the construction of the Tuticorin-Pelly Quilon Railway is under discussion with the Government of India, from whom a reply must be awaited before any further action can be taken.

2. The Madras Government sees no necessity for granting the concessions desired by you at once and it does not quite un-

derstand

No 7520 dy 6.9.90.

derstand your allegation that the preliminaries have already been accepted.- Should the Government of India decide that the line, if made, is to be a State Railway and constructed by its own Officers, the kindly offer of Messrs Armstrong & Co. may possibly be declined.-

3. I am also to add that Govt. entirely fails to see what grounds there are for your proposed increase of capital upon which 4 per cent interest is proposed to be paid by the Travancore State from £600,000 to £700,000 as the equivalent of 70 lakhs at 1/8½ per rupee, the present rate of exchange is about £598,000.-

Yr
Obt Servt

Rejn WORR

No 753 Dy 6.9.90.

recd. 6 Sep.

C3/89

1342
1343R

The firm don't seem to be very accurately informed about the project. They talk of a line from Tinnevelly to a point at the S. Indian Rly & of a grant of land by Her Majesty's Govt. for the whole line.

The thing to be done now is, as proposed in this note, to communicate the whole of the papers to the Travancore Govt through the Resident & ascertain their views as to the prosecution of the negotiation, it being pointed out that the first step must be the acquisition of a working survey.

WEO
16 Jan 90

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

14th January 1890

109

READ the following:—

Letter from W. Leslie Esq dated 9th January 1890.

Despatch from the Secretary of State No. 2 Ry. dated 19th December 1889 with enclosures.-

FOR ORDERS.

The first step to be taken appears to me to be to ascertain whether the Travancore Government is still prepared to guarantee 4% on a limited Capital for the northern route.- If it is, we must next ascertain whether the Promoters are prepared to pay the cost of the surveys and working estimate for the chance of the project turning out financially sound, the concession in such case being assured to them.-

C Smith Colonel RE

J. Secy. to Govt. P.W.D. Ry. Branch

111

x x
Write Mr Stokes with the very
well — Send Mr Dashwood
letter) Point 1st as you like to
commencement) as early from
Tuesday to Saturday subject to
certain conditions if he endorse
the steam treasury
which will be letter to Lord a
Distinct notice expected enclosing
us to make that conditional
offer to Mr Leslie, before we make
it — Mr T. for same time
to Dashwood him.

Ltr 5
3/5/95

L. G. a-
5.5.90

Adm 25/4/90. R 28.4.90

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

25th April 1890

READ the following:—

Endorsement from the Political Department dated 24th April 1890 on letter from the Resident in Travancore and Cochin No: 54 dated 15th idem regarding a light railway from Trivandrum to the Aramboli frontier.—

FOR ORDERS.

Lt Col: Pt.

Actg: Jt Secy: to Govt: P. W. Department

Sir

I think that the Travancore must be told that they must make up their minds for themselves, but that in the opinion of H.E. the G in C. the proposed light railway or system of light railways within the Travancore frontiers cannot be regarded as an alternative to the Cuyer project. The question is whether the Travancore Govt desire that the country shall be connected with the railway system of India, and are prepared to incur sacrifices & liabilities to secure this object. The provision of a steam tramway to the Aramboli pass is not to be regarded as even a step towards it. Such tramway would doubtless benefit the country through which it passes as regards local trade, but as to the larger object it is of no account. That object of course cannot be attained without sacrifices. With reference to the above object I would remit the question to Travancore & call on the Govt to say whether the proposals in this letter of 1st April should be sent on to the Govt of India.

Sir

Yours

Asst. I think the reply to
Ch. 23/4. Travancore proposal to
Cir. 28.4.90 R 6-5-90 X X

FOR ORDERS.

113

4th 22/7 R 28/7

C 2us 5446

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

READ the following :—

Letter from Mr. W. Leslie
dated 10th June 1890.

FOR ORDERS.

Sidney Smith
Major R.E.
Undersecy to Govt P.W.D
Ry Branch.

Madras
18th June 1890

Mr. Leslie should be informed that
the question of conclusion of the Tram Railway
is under consideration
of the Govt of Travancore.

WS
19/June

GOVERNMENT HOUSE.

July. 22nd 90

Dear Colonel. 115

His Excellency desires
me to inform you that the
Enclosed had better be
disposed of in your department
in the usual way.

Yrs truly.
L. Stanier. Capt
A.D.C

O/11/6
Sec. 16/6. R 17. 6. 90

Sec. 10/7 Forward the
Hon. 22/7 R 26/7 accordingly

3. 7640

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

117

READ the following:—

Letter Dy 19th June from Armstrong & Co London.

FOR ORDERS.

Nothing is said in this Letr about the line from Tinnevelly to the S. I. Rly. This would be 2 or 3 miles long but would save the metre gauge from the other line from Tinnevelly to Quilon which would have to be converted, & the permanent way to the (Ry Junction to Cochin & Ry Junction to Quilon) not in order to have to convey metre stock from the line to Tinnevelly. The Madras Govt would probably join in the undertaking. It would cost about 1½ or 2 lakhs of rupees, I fancy - or the 2½ c. ft. say, 4000 Rs. agree - but this little bit of line would stink, being its full proportion in view of the Estimate.

As suggested in the letter the Trustees for Rs. 12½ a Deccan are to keep their powers to guarantee their share of the amended charge

Obs. 10/7
Mem. 22/7 R 28/7

are about to inform
We ~~have already informed~~ the Agent
of Armstrong & Co in London (Mr Leslie)
that in the opinion of the Govt of Madras
no further surveys are required as it
has been shown that a railway through
the Arcanknoid has from Tinnevelly
to Quilon will cost about Rs 1,00,00,000
of which Rs 30,00,000 will be the
Expenditure in British territory &
Rs 70,00,000 the cost in the Travancore
State - A branch from this Railway
to Periyakulam would cost a further
sum of between Rs 25,00,000 & Rs 30,00,000.
(Govt thought fit to approve)

2 ~~The~~ Messrs Armstrong & Co's letter
now recites the Question of what terms
would be suitable - I would suggest Royal
Mail per railway terms viz
(a) Cost of surveys to be Chargeable against
the Capital of the Company when raised
(b) Cost of land to be Chargeable against
the Capital of the Company -
(c) The Construction & Equipment of the Railway
& the Chargeable against the Capital
of the Company -

0/11/6
Mem. 16/6. R 17. 6. 90

~~(d) The Travancore St~~

(d) The Govt of Madras & the Travancore State to Guarantee 4 per cent on the Capital at Cost ~~of the Railway~~ in proportion to the Cost of the railway in their respective territories -

(e) The Company to receive ¼ of the net Earnings of the railway above 4 per cent -

(3) Assuming that exchange remained about as at present £800,000 would be required to Construct the ~~branch to Quilon~~ Railway from Tinnevelly to Quilon and £200,000 the branch to Periakulam -

The Madras Govt would have to pay annually about £9,600 for their share of the Guarantee and the Travancore Government £22,400 for their share of the Railway from Tinnevelly to Quilon and £8000 for the branch ~~line~~ to Periakulam These sums would be reduced by the amount of the net Earnings of the railway It is not probable that the net Earnings ~~of the Railway through such~~ of a Railway costing upwards of Rs 90,000 per mile through such a thinly Populated Country would much exceed 2 per cent for which the net charges for some years would be

To the Madras Govt £4,800 or say Rs 60,000 per annum
" " Travancore State £11,200 or say Rs 1,40,000 " " for the Quilon line
" " " £4,000 " " Rs 50,000 " " for the Periakulam branch

The Question is are the Madras Govt & the Travancore State prepared to make these sacrifices to secure the Construction of the Railway - I do not think better terms will be obtained from an independent Company

4. If the Madras Govt. are prepared

FOR ORDERS.

for in Cost on the terms proposed in the Note - The Madras Govt. can hardly decline to bear their share if the Travancore Govt. agree to bear theirs - without talking of the letter for the letter if the Travancore Govt. it must be assumed that their Govt is ready to bear their share of the Madras & Travancore Bank in the letter make up our minds to say so, but it is understood that we are prepared

as the guarantee is only asked for for 15 or 20 years I presume that at the end of that time the Govts will be at liberty to buy up the line with all it belongs to buy up the Company by paying its liabilities their capital & interest.

26/7/90.

Encl: 6 H.R. the Govt.

The proposals of the Government of India in the first instance before being submitted to the Travancore Govt.

to meet their share I suppose the Travancore State should be asked if they are prepared to meet their share ~~and if not we can~~ and meanwhile a copy of our letter to Mr Leslie might be sent to Messrs Arbuthnot & Co stating that the Govt. of Madras is in correspondence with the Travancore state regarding the terms that should be offered for the Construction of the Railway -

119

Yes
H.S

22/7/90

To R.

Sir

121

Please say if the letter to Mr Leslie may be despatched & a copy sent at the same time with a covering letter to his Agents in London. It is understood from Mr Mills note that the proposals made in his note should be first submitted for the views of the Govt. of India with reference to this Govt. guarantee -

H.L.
2/5

The letter to Mr Leslie has been despatched from this Office and a copy might be to the firm in London with reference to this letter - The parties can then wait the answer at once

H.L.
4/5

6450

PUBLIC WORKS SECRETARIAT,

RAILWAY BRANCH.

123

Station ~~Cuddapah~~ date July 1890.

NOTE.

Letter dated 5th July from Mr. D. Leslie - regarding a railway from Tinnevelly to Quilon.

1. Mr. Leslie asks if the Government of Madras can supply Engineers, stating that of course the ~~proprietors~~ salaries and allowances of such Engineers would be paid by the Company.

for final survey of line Tinnevelly to Quilon

2. As how the East Coast Railway construction is started I believe Government will be required every Engineer they have to spare and will have to engage men from outside besides. I think we might therefore say that the Government regret that they

cannot

cannot supply Engineers to conduct the survey.

3. Furthermore it does not appear to me that any further survey is required until the Capital for constructing the line is secured.

Two preliminary surveys have already been made one by the South Indian Railway and another by the Chief Engineer Travancore State.

(a) The South Indian estimate is for a railway from Tinnevelly via the Arieankavu pass and running thence by a southerly route to Quilon and costing Rs 104,00,144 of which Rs 33,60,741 would be the cost of line in British territory and Rs 70,39,403 in the Travancore state.

(b) The Chief Engineer Travancore states estimate is for a railway from Tinnevelly via the Aramboli Pass and running thence by a northerly route to Trivandrum costing Rs 93,15,623 of which Rs 33,60,741 would be the cost of the line in British territory and Rs 59,54,882 in the Travancore state. 125

a branch to Trivandrum from the South Indian Railway trace has been surveyed and has been estimated to cost Rs 25,69,627 from the trace set out by the Chief Engineer Travancore state is estimated to cost Rs 29,85,258.

4. The total cost therefore of a line of metre gauge railway from Tinnevelly to Quilon with a branch to Trivandrum would be

South Indian estimate Rs 1,29,69,771
Chief Engineer Travancore states estimate } = 1,23,00,881

Difference Rs 6,68,890

the mileage being 9 miles greater in the latter case than in the former. A portion of this difference is explained by the northern route passing over easier ground and the remainder by

by the Chief Engineer Travancore State having estimated for a cheaper class of stations than the South Indian Railway. The estimates approach quite sufficiently closely to show that a metre gauge railway can be constructed from Tinnevelly to Quilon through the Arankotta pass a distance of 106 miles for about Rs 1,00,00,000 of which Rs 33,00,000 will be spent in British territory and Rs 70,00,000 in the Travancore State and that a branch to Trivandram 35 to 44 miles long can be constructed for from Rs 25,00,000 to Rs 30,00,000.

5. It appears to me that the surveys and estimates already prepared are quite sufficient to enable the Government of Madras and the Travancore State to come to terms

I agree
L.H.S
20/7/90

terms with a company for the construction of the Railway and that further surveys and estimates should only be made when the Capital is raised and it is necessary to finally locate the line.

127

Macy L Hawk.
offg: Jt Secy: to Govt P.W.D.
Ry: Branch.

The surveys by the S. I. Ry and the Coy between Travancore state upon to both passed through the Arian Kovil pass - but the survey made by the S. I. Ry passed through the Aramboli pass -

R
7/7

I did not know that there had been 3 surveys - two through the Arankovil pass & one by the Aramboli pass. My conception was to recommend the simpler scheme of the two to be carried out by S.I.Ry

F C¹ 129

Class | INDIAN TELEGRAPH. | Local No.

To (Station) | From Telephonic message (Station)

Words.	Day.	Hour.	Minute.	Official Instructions.

To (Person) | From (Person) Hon'ble Mr. Garstin.

1 Ask Col: Gracey whether any
2 reply has gone to Mr. Leslie
3 in reply to his letter asking
4 to have plans and estimates of
5 the Travancore and Tinnevelly
6 Ry handed over to him.
7
8 ~~Sir~~ Burke & Rainsford
9 civil
10 1-9-20
11 Hd
12 Head Clerk.
13 Please let me know
14 Hd
15 1/9/20

Sir Sol-gel. The letter from Mr. Leslie asking for plans was put up with the most recent letter to Burke & Mr. Leslie's letter to them for working the line and a letter to Mr. Leslie. I presume you will deal with the latter after receipt from them. - Hd 4/9

Recd. from L. N. | At Hrs. Mts., By | Sent To Hrs. Mts., By

Date | Telegraph Master

RATES OF CHARGE FOR INLAND TELEGRAMS.

The address (including name of Sender and name and residence of Addressee) is transmitted free.

	First 8 words.	Each additional word.	
Deferred Message	... 8 Annas	... 1 Anna.	A group of 5, or less figures, is reckoned as one word.
Ordinary "	... 1 Rupee	... 2 Annas.	
Urgent "	... 2 Rupees	... 4 Annas.	

No charge for delivery within a distance of 5 miles.

To The Hon^ble Mr Carstin. 131

Ho reply has been sent to Mr Carstin's letter asking for plans & Estimates of Swanley Junction Railway. He has I believe seen the plans & Estimates prepared by the South Western Co^y and these should be sufficient for him -

H
1/9/90

131a

F C[1]

133

Class	INDIAN TELEGRAPH.	Local No.
To (Station)	Telephonic Message	From (Station)

Words.	Day.	Hour.	Minute.	Official Instructions.

To (Person)

From (Person) Hon: Mr. Gaston.

1
2 Tell Col: Gracey that, in my
3 opinion we should refuse to
4 let Mr Leslie have the plans
5 & estimates he wants, until at
6 any rate we know the views of
7 Govt of India about the making
8 of the Ry.
9
10 E. S. Ambagamuwa
11 Officer - Please receive
12 Note & place in file 1-9-20.
13
14 Vr
15 11/9/20

Recd. from	L. N.	Sent to	L. N.
At Hrs.	Mts., By	At Hrs	Mts., By

Date

Telegraph Master.

MADRAS, _____ 188 .

To

The

W. Leslie Esq

137

No. Reply No. of

135

Your letter of

[illegible] desired to inform
[illegible] should be
[illegible] Armstrong & Co, for the
[illegible] Twitchell-Denlea Rs
[illegible] with the Estr of
[illegible] a reply must be
[illegible] further action can be

W
29/8/90

[illegible] Should the Govt
[illegible] the time,
[illegible] State Rs & contents
[illegible] the kindly inform
[illegible]

1/9/90

[illegible] Govt entirely [illegible]
[illegible] for
[illegible]
[illegible] part of the Treasure for
[illegible]

Have any reply come
to the letter of Messrs
Leyland & Co, I think
I replied - In any case
we could pin the blame
[illegible] Leslie to
[illegible] Sutton then & Co
on [illegible] contract &
on [illegible] the
[illegible] to [illegible]
[illegible]

W Leslie Esq
1/9/90

Form No. 10.

Madras, _____ 188 .

To

~~The~~ W. Leslie Esq

137

No. Reply No. of

Sir,

With reference to ~~your~~ your letter D/ 27th August I am directed to inform you that the Concessions ~~that~~ should be granted to Messrs Armstrong & Co, for the Construction of the Trichinopoly-Dindigul R^y and further discussion with the Ent^y Dept^t from whom a reply must be awaited before any further action can be taken -

Reminder.

H
29/8/80

2. The Madras Govt^t see no reason for granting the concessions ~~asked~~ applied for, they do not quite understand some allegations that the Trichinopoly Merchants have always been entitled - Should the Govt^t of India decide that the time, ~~for~~ of land, is to be at Rate R^s & cost of the Govt^t the Madras Govt^t are willing to declare ~~not to oppose~~ -

DMG

1/9/80

I am also to add that the Govt^t entirely fail to see what ground there can be for the proposed concession the critical remarks which the Madras Govt^t has passed on the Trichinopoly Scheme - as to which the Madras Govt^t are very specific

Subject.

What does the name of the Trichinopoly Railway Company stand for?

Should not the Madras Govt^t be asked to explain what is meant by the Trichinopoly Railway Company?

DMG

Rly. 17/7 R 21.7.90

the total ~~amount~~ (saving £2,000) of Investment which was proposed to be paid in Sterling.

Hon'ble J. H. Garstin C.S.I.

PUBLIC WORKS DEPARTMENT,
RAILWAY BRANCH.

139

READ the following:—

Para 3 of Proposed draft to Mr Seddon

FOR ORDERS.

With Exchange at 3/9 per rupee the Rs 70 lacs (which the Madras section of the line in the Assurance states is Estimated to Cost) would be Equivalent to £ 612,500. When the Exchange was at 3/10½ the Equivalent of 70 lacs would have been ~~£ 495,833~~ £ 495,833. Mr. Seddon's argument is therefore not unreasonable from his point of view which is that the Concessionaires should pocket about £100,000 on the transaction.

I would suggest that Para 3 might be altered to read as follows—

3 I am also to add that Government finds to an extent of pounds three lacs for your proposed increase of Capital upon which 4 per cent the interest is sanctioned to be paid by the Assurance state from £600,000 to £700,000 as the equivalent of Rs 70 lacs at the exchange of 2 per rupee, ~~which value~~ 1/8½ the present rate of Exchange, is about £598,000

4/9/90

4/9

3/9/90

Add. 28/8
Appn. 29/8. R 2-9-90

Add. 29/9
Appn 2/9 R 4/9

FOR ORDERS.

Form No. 10.

Madras, _____ 188 .

To

The Govt of Sweden

No. Reply No. of

Sir,

I am directed to forward a Copy of the Correspondence marginally noted relative to the Construction by a Railway from Durandy to Ralem in the Nizam's State

1. Copy of a letter Dy 5th July 1890 from Mr W. Leslie to the Govt of Madras
2. Copy of a letter Dy 19th June 1890 from Messrs Armstrong & Co with Inclosures.
3. Copy of a letter No. 3274 C Dy 4th August from the Govt of Sweden to Mr Leslie in reply to (1)
4. Copy of a letter No. No 2391 Dy 13th August from The Govt of Madras in reply to (2)
5. Letter No 27th August 1890 from Govt of Madras to Govt of Sweden

Reminder.

Dated Letter Recd

I think copies of Mr Leslie's letter of 5th July 1890 should be supplied to Govt also to Govt of India. The total Estimate of expenditure on the line is £700000 and that of Rs £600000 on account of the Nizam's State Railway.

Subject.

Question - Whether Interest on the Capital should be paid in Sterling or the equivalent £24000 in Indian Currency.

1/9/90

2. The Govt of Madras in their letter state under the Govt of India Govt to make the line & state that it will be open for traffic in

2. The Govt of Sweden state that the following terms might be granted to Messrs Armstrong & Co for the Construction of the Railway from Durandy to Ralem

1. That the Land in British territory should be granted free of Cost and that the Telegraph should be Constructed by the State as asked for -
2. That the Nizam's State should guarantee 4 per cent on the Capital Expended on the Portion of the Railway lying within that State not exceeding £600,000 and that the Guaranteed Interest should be payable in Sterling half Yearly
3. That the Guarantee should not last for more than 15 years. Should
4. That the Govt of Sweden have the Option

of including the Railway at the end of the first period of 15 years or at the end of each succeeding period of 10 years thereafter an amount of 25 times the average profits earned by the Company during the previous 5 years -

5. That if the Capital shall be fully subscribed by the 1st June 1892 the Concession should be at an end -

3. If the Govt of Madras see no objection to the above terms being granted to Messrs Armstrong & Co, they will please move the Govt of India when sanction for a formal agreement (a formal agreement to be executed by the Secy of State with Messrs A & Co. can be entered into if sanction of that Govt is obtained from the Secretary of State) will have already assured their willingness to guarantee 4 per cent on £6.00,000 sterling -

H
2

Is there any objection to the issuing of such a Notification as Stat No?

D.H.S
11/9/90

Entered previously with Statement showing the Railways which might be given to Messrs Armstrong & Co on the following terms:

Stm. 29/8 R 2-9-90

No. 1342 R 3-9 Sept 1890.

PUBLIC WORKS DEPARTMENT.

P. A

143

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read again the following

Progs: of the Madras Govt: P.W.D. — Mg. No: 1378 R dy 12 Decr: 1889.
Despatch from the Secy: of State — " —— 2 Railway dy 19 do —
Letter from Mr. W. Leslie —— " —— —— dy 7 January 1890
Letter to Resident in Travancore & Cochin — " —— 66 dy 3 February —
Progs: of the Madras Govt: P.W.D —— " —— 645 R dy 13 May —
Letter to Resident in Travancore & Cochin — " —— 257 dated 17 do —
Letter from Mr. W. Leslie —— " —— —— 10 June 1890
Letter to do —— " —— 862 R — 19 do —
Progs: of the Madras Govt: P.W.D —— " —— 897 R — 24 do —

Read also the following: -

Letter from Messrs Armstrong & Co. London — Mg. No —— dy 19 June 1890
Letter from Mr. W. Leslie —— " —— —— dy 5 July 1890
Letter from do —— " —— —— dy 2 August 90
Telegram to do —— " —— 3274 C dy 4 do —
Letter to do —— " —— —— dy 6 do —
Letter from do —— " —— 3391 C dy 13 do —
Letter to do —— " —— —— dy 27 do —
Letter from do —— " —— 952 D dy 6 Sept 90
Letter to do —— " —— 953 D dy 6 do —

4/10

Ordered that the Govt: of India be addressed. -

Mg. No. 1342 R 3-9 Sept 1890 -

H

To Telegraph for Rys
" Political Department
" Revenue

52

BS: R

(2)

A

No. 1342-43 R. 45

Government of Madras,

PUBLIC WORKS DEPARTMENT, 145

RAILWAY BRANCH.

To

The Secretary to the Govt. of India

Public Works Department

Simla

9th September 1890.

Sir,

I am directed to forward copies of the correspondence marginally noted embodied in Progs: of this Govt. No 1342 R dated 9th September 1890, relative to the construction of a railway from Tinnevelly to Quilon in the Travancore State.-

2. The Government of Madras is of opinion that unless the Govt. of India prefers to make the line a State Railway and construct it with its own Engineers a contract for its construction might be given to Messrs. Armstrong & Co. on the following terms

(1) That the land in British Territory should be granted free of cost and the telegraph should be constructed by the State as asked for.-

1. Letter from Mr. W. Leslie dated 5th July 1890.
2. Letter from Messrs. Armstrong & Co. London dated 19th June 1890 with enclosure
3. Letter from the Govt. of Madras to Mr. Leslie in reply to (1) No. 3274 C dated 4th August 1890.-
4. Letter from the Govt. of Madras to Messrs. Armstrong & Co. in reply to (2) No 3391 C dated 13th August 1890.
5. Letter from Mr. W. Leslie dated 27th August 1890.
6. Letter from the Govt. of Madras to Mr. Leslie in reply to (5) No 753 D dated 6th September 1890.-

53

(2)

A

No. 1342-43 R, 9th Sept/90.

Stn. 29/8 K 2-9-90

(2) That the Travancore State shall guarantee 4 per cent on the Capital expended on the portion of the Railway lying within that State not exceeding £. 600,000 and the guaranteed interest should be payable in sterling half yearly.

(3) That the guarantee should not last for more than 15 years.

(4) That the Government of India should have the option of purchasing the Railway at the end of the first period of 15 years or at the end of each succeeding period of 10 years thereafter on payment of 25 times the average profits earned by the Company during the previous 5 years.

(5) That if the Capital be not fully subscribed by the 1st January 1892, the concession should be at an end.

3. If the Government of India sees no objection to the above terms being granted to Messrs Armstrong & Co., they will be communicated to the Travancore Government when if accepted by them a formal agreement with Messrs Armstrong & Co. can be entered into by that Government who have already expressed their willingness to guarantee 4 per cent on £ 600,000 sterling.

A

for 1343 R 89 — Sept 1890.

11-9-90

11/29/8 R 819

8504 [illegible]

Govt. of India — Madras.

PUBLIC WORKS.

Ss
19/9/90

Print Copy

Dated 19/9/90

Rcvd. Exd.

CONCERNS BOTH BRITISH INDIA
AND INDIAN STATES.

G.O. 9th Sept. 90 No. 1342-3/R.

Railway from Tinnevelly
to Quilon in the Travancore
State.

Ordered that the Govt be addressed on the subject of the Construction of a ——.

——

Do do do

Forwarding with Remarks Correspondence relating to the Construction of a ——.

1/3 to 3/2 vol. Rec'd

Sec 11/9/90

2,000 Bks.—8-1-52. Sectt. II-4.

Clerk, Section, Department.

Returned to section. (8)	Reference Issued. Form and sub-number. (9)	Date. (10)	To whom. (11)	Reply or further communication. Current number and date. (12)	From whom. (13)	Outside number and date. (14)	Nature, number and date of final disposal. (15)
				P.W (Railway) GS No 4 1342-43 9/1890			
				Reintegrated and Ref- 28 XI 03			