CONCERNS BOTH BRITISH INDIA
AND INDIAN STATES.

Government (1898) of Madras.

POLITICAL.

Recd. } 1898. *Enclosures*
Regd. *Spare copies*

G.O., No. 411, 20th June 1898.

JUNE.

Shoranur-Cochin Railway.

Communicating to the Public Works Department (Railway Branch) letter from the Resident in Travancore and Cochin submitting the revised proposals of the Cochin Darbar regarding the construction of the —, and intimating the Government of India of those proposals.

GOVERNMENT OF MADRAS.

POLITICAL DEPARTMENT.

READ—the following papers :—

G.O., No. 694 R., dated 20th September 1897.

ABSTRACT.—Communicating to the Agent, Madras Railway, for guidance, letter from the Government of India requesting that, as soon as the re-alignment and revised estimates for the Calicut-Cannanore branch have been completed and the work of construction has been started, those for the Shoranur-Cochin Branch may be put in hand and the results submitted, together with the best available estimates of traffic, and that an estimate for carrying out the final location of the Shoranur-Cochin Branch may be furnished for formal sanction before the work is put in hand.

Telegram from the Joint Secretary to Government, Public Works Department (Railway Branch), to the Secretary to the Government of India, No. 35-B., dated 8th November 1897.

Your 1418 R.C., August 31st, 1897. During Governor's recent tour Rajah of Cochin expressed willingness to make over for Shoranur-Cochin Railway forty lakhs now in Government paper and to borrow more if necessary. This Government would like to know whether such an offer would probably be favourably received by Government of India and whether you would suggest how it might best be worked in with recently-agreed Madras Railway Company's terms; perhaps Kathawar lines may afford parallel and suggest method of most advantageously treating Rajah's offer.

Telegram from the Government of India, Foreign Department, to the Chief Secretary to the Government of Madras, dated Calcutta, 1st December 1897.

No. 4376-I.B. Your works railway telegram No. 25-B, November 8th, to works Shoranur-Cochin Railway. Please report present financial condition of Cochin with opinion on Raja's proposal to borrow. Has Travancore funds for investment in this railway, assuming Tinnevelly-Quilon Railway is paid for by South Indian Railway and Darbar has to provide only guaranteed interest.

Notes by the Consulting Engineer for Railways, dated 2nd December 1897, on the Shoranur-Cochin Railway.

Office-note from the Joint Secretary to Government, Public Works Department (Railway Branch), to the Chief Secretary to Government, dated 9th December 1897, No. 51 R.M.

Referring to Chief Secretary's note, dated 6th December 1897, I see that the Government of India desire information not only about the solvency of the Cochin State whose Raja has been inquiring about the possibility of his investing 40 lakhs in a railway, but also about the ability of the Travancore State to join in the enterprise by guaranteeing interest on the capital of the part of the line passing through their State. The maps in my possession are not very clear about the Cochin and Travancore boundaries, but as well as I can make out, about 15 miles out of the $63\frac{1}{2}$ will be in Travancore and the remaining $48\frac{1}{2}$ in Cochin. I cannot possibly at present divide up the probable capital expenditure proportionately between the two, but it looks as if Travancore might be asked to *underwrite* the Government of India's guarantee as regards about one-fourth of the whole outlay, or perhaps 20 lakhs.

2. Now if Travancore would agree to underwrite the guarantee up to 20 lakhs, and if Cochin would directly subscribe 40 lakhs more, there would remain perhaps some 20 lakhs more to be underwritten by Cochin, if the Government of India are to be entirely relieved of the onus of a guarantee. If the two States would agree to do this, it seems probable that all further delay to the inception of the scheme would at once be at an end.

3. The underwriting of a guarantee is a simple matter enough, it merely involves an official undertaking to do so by the State concerned. A case in point is the undertaking of the Travancore State to underwrite the Government of India's guarantee of interest on the capital cost of that part of the Tinnevelly-Quilon Railway which lies inside their State. If the working of the line is successful, the guarantee itself and the underwriting of it are mere formalities to give the debenture holder confidence. But if the line does not pay the incidence of the payment of the debenture interest (probably $2\frac{1}{2}$ per cent. not more) will fall, in whole or in part, on the guarantors, and through them on the underwriters. Thus Cochin and Travancore might possibly be let in for an annual payment of Rs. 50,000 each ($2\frac{1}{2}$ per cent. on 20 lakhs). But that could only happen if the line failed to pay more than working expenses, a very improbable contingency in the case of so promising a line. The chances are largely in favour of their not being called on to pay anything at all.

4. The most suitable terms for the direct investment of 40 lakhs by His Highness the Raja of Cochin require some consideration. In my capacity as Consulting Engineer (not as Joint Secretary) I have sketched out what seem to me to be suitable terms, and I put up a copy below. It would be necessary, if the Raja of Cochin is addressed through the Resident in Travancore and Cochin, to carefully explain that these sketch terms do not emanate from Government and must not be taken as in any way committing Government. In questions of this sort of the initial financing of railway schemes, though we can doubtless, and indeed are expected to, make suggestions, the Government of India keep all in their own hands and we must not commit them.

5. It would be best in my opinion if the Resident were to be told in the Political Department that His Excellency having learnt in personal communication with His Highness that it was his desire to practically co-operate with Government in the inception of the Shoranur-Cochin Railway scheme, and indeed to invest largely in it, to the extent of 40 lakhs, would recommend that His Highness the Raja do now make a regular official proposal in a form fit to be sent forward for the orders of the Government of India.

6. The Resident might be told that this Government thinks that the surest way of securing the early inclusion of the line in the Government of India's construction programme would be that His Highness the Raja should make an offer to invest the suggested 40 lakhs upon some such conditions as those sketched in the accompanying note prepared by the Consulting Engineer for Railways, Madras, and that in addition His Highness should offer to underwrite the Government of India's guarantee of interest (probably $2\frac{1}{2}$ per cent.) on the debentures to be raised for the remaining capital required to complete the section of the line lying in the State of Cochin.

7. The Resident might be asked whether, in view of their existing potential liability in regard to the underwriting of the Government of India's guarantee in the Tinnevelly-Quilon case, he would recommend the Travancore Darbar to undertake the additional liability involved in underwriting the Government of India's guarantee on so much of the Shoranur-Cochin line as may, after regular survey, be found to lie within the Travancore boundaries. If in the Resident's opinion the Travancore State might safely undertake this additional liability (in view especially of the latest development as regards the suggested alteration of the alignment of the Tinnevelly extension so as to end at the southern end of the backwaters south of Trivandrum), he might be authorised to inquire whether the Darbar would be disposed now to offer to underwrite the Government of India's guarantee on the portion of the Shoranur-Cochin line which lies within their boundaries, estimated as not likely to cost over 20 lakhs.

8. As matters at present stand, that is, if the Travancore Darbar are so ill-advised as to prefer the northern route from Tinnevelly to Quilon instead of the southern route, their potential liability is for interest (at probably $2\frac{1}{2}$ per cent.) on about 76 lakhs, or a possible Rs. 2 lakhs per annum.

(Signed) FRANCIS J. E. SPRING,
Offg. Joint Secretary.

Note by the Consulting Engineer for Railways, dated 15th December 1897.

Note by the Consulting Engineer for Railways, dated 18th February 1898, on the Shoranur-Cochin Railway.

Since my notes, dated 2nd and 15th December 1897, were written, I have had the advantage of more than one interview with Mr. J. D. Rees, C.I.E., the Resident in Travancore and Cochin, upon the subject of His Highness the Raja of Cochin's proposals regarding the projected railway. Mr. Rees has showed me a letter from Mr. P. Rajagopala Chari, the Diwan of Cochin, dated Ernakulam, 24th January 1898, in which His Highness the Raja's wishes are very clearly expressed. From a perusal of this letter it is very evident that His Highness' desire is to be a proprietor, as far as he can, of a railway which will be of great importance to his State. His Highness clearly foresees that the railway may not at first be remunerative, but in spite of that, and of the probability of its not paying more than $3\frac{1}{2}$ per cent., he desires as far as possible to become its proprietor.

2. The Diwan asks many very pertinent questions in regard to points either not made very clear in, or misunderstood from, my previous notes. I have given Mr. Rees full information which he will doubtless by this time have communicated to the Diwan, so that it will be unnecessary that I should repeat it here.

3. A perusal of the Diwan's memoranda of His Highness the Raja's wishes has suggested to me an alternative whereby it may be possible for the Raja to become immediately possessed of the railway, with comparatively little addition to the capital, 40 lakhs, which he is now in a position to invest in it. This suggestion is that the Shoranur-Cochin Railway should be made on the metre gauge, and that it should be made in the most economical manner possible.

4. There is not a shadow of doubt but that the metre gauge will amply suffice to carry all the traffic that ever can come to it whether passengers or goods. It is good enough for the rich plains of Tanjore and Trichinopoly, and it must, *a fortiori*, be good enough for any other part of the Madras Presidency. A year ago such a proposal would have been blocked by the aversion of the Madras Railway Company from working branches on a different gauge from their own. But now they are happily better advised, and they have officially intimated their desire to make and work metre gauge branches. Indeed their agreement with the Nilgiri Railway Company to work that line, for what will in all probability practically amount to the same percentage for working expenses to gross earnings as prevails on the home line, is now nearly settled.

5. This difficulty being got over, there is no doubt but that a metre line costing possibly 40, possibly 50 lakhs, will return a proportionately better percentage on its capital cost than a broad gauge line costing double that sum. I have been very carefully through the plans and sections of the line, and feel fairly sure that if His Highness the Raja is satisfied with the metre gauge, he can very nearly, if not quite, get it for his money, *plus* such savings as his State may make during the two years of construction, *plus* perhaps a small additional sum, the borrowing of which can doubtless be arranged for, and which it may even be possible to persuade the Government of India to advance.

6. The great advantages of directly financing the railway in the simple fashion of His Highness advancing practically the whole of the money and offering to hypothecate the savings of his State for the balance, are too obvious to need pointing

out, but the chief of them would be that it will no longer be necessary to use the agency of the Madras Railway Company with all its concomitant entanglement of London control, &c., for the raising of the money. Neither will it be necessary to ask the Travancore Government for a guarantee which I understand that they are unwilling to offer.

7. About *land*, an item which on the west coast will apparently cost a higher proportion of the total than is usual elsewhere. The Engineers must be instructed to economise in land as much as is possible, and in this way, and by the use of lower banks than were used on the somewhat extravagant broad gauge scheme, it will undoubtedly be possible to secure considerable economy. An important question if the line were to be made on the previously proposed conditions, would be the incidence of the cost of land. Under Government of India orders, a Native State is supposed to always provide land free. But if His Highness the Raja is to become at once the proprietor of his own line, it does not seem at first sight to matter very much whether the cost of land comes out of the capital set aside for railway purposes or from the general revenues of the State. Still I should advise that in putting forward his offer to provide the money for the line, His Highness should stipulate that the cost of land shall be shown in the accounts as an integral portion of the cost of the railway, and not as a separate charge in the accounts of his State.

8. I do not foresee any practical difficulties in His Highness the Raja of Cochin owning the section of the railway which passes through Travancore territory any more than if he owned a cotton mill in that State. It would be a question, for the Resident in Travancore and Cochin to advise about, whether or not it would be politic that under the Government of India's circular the Travancore Darbar should be pressed or not to give land free for the Cochin Raja's line through their State, I am disposed to advise that they be not asked to contribute in any way whatever to the Cochin line, even to the extent of providing free land, unless perhaps to the extent of making no charge for the State's interest in the land though permitting Cochin to disburse the amount decreed to all other proprietors below the State down to the actual cultivator. I would suggest that this would be a detail that might best be left for settlement to the good offices of the Resident and which it will be unnecessary to trouble Government about.

9. I now proceed to formulate the suggestions which I would make, and I wish it to be clearly understood that these proposals emanate from me personally as Consulting Engineer for Railways, and should not be taken as emanating from me as Joint Secretary in the Public Works Department. Nevertheless as a fact they have been informally examined and approved by His Excellency the Governor in Council, from which it may be understood that if His Highness the Raja sees fit to put them forward they have every chance of acceptance.

10. I advise that His Highness the Raja write officially to say that he is very desirous of getting the railway made which has been so long talked about, and that he would prefer to be the sole proprietor of it if possible. That, as advised at present, he can see no possibility of accomplishing his purpose unless the line be made on the metre-gauge. That he therefore proposes that this gauge should be adopted. That he is prepared to provide funds, immediately to the extent of 40 lakhs and during the next so many years at so many lakhs per annum more or less. That he asks for no guarantee, and will claim the same percentage of surplus profits, if the line is worked by the Madras Railway Company as in similar circumstances the Government of India would claim. [Usually $\frac{4}{5}$ths to Government (or to the Raja) and $\frac{1}{5}$th to the Company, after $2\frac{1}{2}$ per cent. or 3 per cent. or whatever is the prevailing rate of interest for money, has been set aside for the State (or for the Raja). The object is to give the Company an inducement for economical working.] That in Travancore territory he proposes to be the owner of the line, and if absolutely necessary to pay for the land also. That as regards land in his own State, he proposes to pay for it. But he stipulates that throughout the whole line the cost of land be reckoned as an integral part of the capital cost of the line in order that if the cost of the line should at any time, or owing to any extensions or developments be brought into the calculation of share of surplus profits he may be secured in all the advantages of his investment. That it is his wish that the line should at once be set out again on the

ground in order that all the benefits of the adoption of the metre-gauge in cheapening first construction may be secured. That he is anxious to lay down the money as fast as the Madras Railway Company are prepared with plans and sections, and can provide the necessary construction staff and that he would wish that construction should begin as soon as possible from Shoranur so as to facilitate access to his capital at as early a date as possible. That pending the completion of a reliable estimate on a metre-gauge basis, His Highness can say nothing very definite about the extra capital, if any, that may be found wanting: but that, if it should appear that the line must cost more than the 40 lakhs now available, *plus* such savings as may be possible in the revenues of the State between now and the date of the railway's completion, His Highness the Raja ventures to hope that the Government of India may by that time find it convenient to give him some temporary assistance in order that it may not be necessary for him to go to the banks. That he particularly desires that the Madras Railway Company should not be concerned in the raising of the capital. But that it is his hope that they may be willing to construct the line and to work it on reasonable terms.

11. If some such proposals as the above are now sent in by His Highness the Raja, with an assurance by the Resident as to the certainty of the money being forthcoming, it will be possible to address the Government of India without further delay. Meanwhile in anticipation, I have instructed the Madras Railway Company's Engineers to go on with their survey on the supposition that the line is to be a metre gauge line, and to cost if possible not much more than 40 or 50 lakhs.

(Signed) F. J. E. SPRING,
Consulting Engineer for Railways.

Order—No. 132, dated 21st February 1898.

The following telegram will be despatched to Foreign, Calcutta:—

Your telegram 4276 I-B., 1st December. Enquiries not yet completed. Darbar will probably submit revised proposals.

(True Extract.)

(Signed) A. T. ARUNDEL,
Chief Secretary.

Telegram to Resident in Travancore and Cochin, No. 207, dated 28th April 1898.
" from " dated 30th April 1898.
" from Government of India, Foreign Department, No. 1218 I-B., dated 5th May 1898.
Telegram from Resident, Travancore and Cochin, dated 8th May 1898.
" from Government of India, Foreign Department., No. 1612 I-B., dated 7th June 1898.
Telegram to Resident in Travancore and Cochin, No. 308, dated 11th June 1898.
" from " dated 12th June 1898.
" to Gov. of India, Foreign Department, No. 312, dated 14th June 1898.
" to Resident in Travancore and Cochin, No. 314, dated 15th June 1898.
" from " dated 16th June 1898.

From J. D. REES, Esq., C.I.E., British Resident in Travancore and Cochin, to the Chief Secretary to Government, dated 12th June 1898, Ref. on C. No. 1852.

I have the honour to forward * letter, dated 5th June 1898, from the Diwan of Cochin and to reply at the same time to the communications noted in the margin. †

* Enclosure V.

† (1) Telegram dated 11th June 1898.
(2) " " 7th May 1898.
(3) " " 24th April 1898.
(4) Demi-official letter dated 24th Feb. 1898.

2. I do not think any useful purpose can be served by now reviewing at length the various proposals for extending railway communication from Shoranur to Cochin which have previously been entertained. In 1862, 1864 and 1866 certain proposals were made for the construction of a branch by a company, which proved abbortive. The Resident forwarded a letter from the Diwan of Travancore and entirely concurred in the views expressed therein to the effect that "Travancore had no use for railways," and he opined that the views of the Cochin Diwan would be of similar tenour. In 1873, matters progressed a little further, but the project fell through owing to the indisposition of the Travancore Government to co-operate. It is impossible for a railway to be brought to Cochin without passing through Travancore territory for some distance owing to the fact that Ernaculam, the capital of Cochin, is surrounded by Travancore territory. In 1874 the Government of India postponed the consideration of railway communications in these States in which it was observed, "no great desire was evinced for their construction." In 1879 proposals were again brought forward and rejected, as were others in 1880. In 1889 the Cochin Government stated that it had "no intention of constructing a line on its own account." In 1893 certain proposals were made by Mr. Gale to form a company to construct a line from Palghaut *viâ* Trichur and Cochin to Quilon in Travancore. The Cochin Government then objected to giving land, cost free, and to the complete cession of jurisdiction; but this project also fell through, and the scheme which till quite lately held the field contemplated the construction by the Madras Railway Company of an extension from Shoranur to Ernaculam to be worked by the company as a branch of their main line, of which gauge it was to be. In September last the Government of India had passed orders for revising the alignment, and estimate of cost of this branch in order to the carrying out of this project. The Darbar while throughout expressing itself in favour of the construction of a railway, equally throughout objected to the grant of the required land for this purpose which is unusually valuable consisting to a great extent of rice fields and cocoanut gardens.

G.O., No. 694, Revenue, dated 20th September 1897.

3. At this stage His Excellency the Governor paid a visit to Cochin, subsequently to which affairs assumed their present aspect which is entirely different from that which appears from the brief resumé given above of previous negotiations to have previously obtained. His Highness the Raja expressed to His Excellency the Governor his wish to finance the railway, so far as possible himself to make over 40 lakhs out of the State accumulations and to borrow more if necessary. This offer was communicated to the Government of India which made enquiries concerning the financial conditions of the State and asked to what extent the Travancore Government was prepared to co-operate in the undertaking. At this time it was believed that the capital required for the line would be 80 lakhs, and it was suggested that His Highness should provide 40, and the Madras Railway Company by issue of State guaranteed debentures, the remaining amount, the usual branch line conditions obtaining in regard to shares of working expenses, net earnings, &c.

4. His Highness the Raja of Cochin was anxious, in offering to invest the accumulated savings of the State in the construction of railway, to be the proprietor as far as possible in an enterprise of such importance to his State, and he favoured a scheme whereby the whole net profits of the railway might accrue to the State. At the same time the Travancore Government referred to the correspondence of 1881, whereby it was relieved, at the instance of the Secretary of State, of the guarantee offered under then existing conditions, and also to the opinion expressed by the Darbar in 1883 to the effect that "the usefulness of a line to Cochin would be very small, in view of the approaching construction of the Travancore Railway from Tinnevelly," held that the considerations which previously weighed with that Darbar were now equally cogent, and said that it was not prepared to subscribe to any guarantee for the Shoranur-Cochin Railway. The assistance then suggested had been that either Government should guarantee the interest on the portion of the capital spent within its territories, 15 miles, more or less, falling within Travancore out of 63½ miles.

5. The desire of His Highness the Raja to become the proprietor of the Cochin line was contemporaneous with the conviction at which the Madras Government, now for the first time, arrived to the effect that a metre gauge-extension would be more

suitable for this branch, not only because it would be cheaper, and would enable His Highness to make the line on his own account, but because the Travancore line to Quilon, 88 miles south of Cochin, was to be metre-gauge, and because further metre-gauge extensions of the Madras system were contemplated. It was also clear that if a metre-gauge system would serve Tanjore, Trichinopoly and Tinnevelly, it would be sufficient for the requirements of Cochin. His Highness' Government, on learning that it was probable that the Calicut-Cannanore extension would also be made of the metre-gauge intimated its "unreserved acceptance" of that gauge for its own line. One, amongst many advantages, accruing from the adoption of the metre-gauge system, would be that as His Highness provided the total capital, cost of land would be reckoned as an integral part of the capital cost, so that if at any time, the cost should owing to extensions or developments be brought into calculation of share of surplus profits, the state would secure the advantages of the investment. The Cochin Government was accordingly asked to send in formal proposals on these lines, and at the same time I was instructed to make inquiries as to the terms upon which the Travancore Darbar would make over such land belonging to that state as would necessarily be required for the line. My instructions included directions for reporting on the financial capabilities of the two states, as desired by Foreign Department's telegram No. 4376, dated 1st December 1897. But inasmuch as that inquiry was made with reference to the proposal that Travancore should participate in making this line, and inasmuch as Travancore is unwilling to do so, it is presumed that this instruction can now apply to the financial condition of the Cochin State only.

6. In intimating, after certain pertinent inquiries, its "unreserved acceptance" of the metre-gauge, the Cochin Darbar stated that it was unable to send in any formal proposals, until the terms were settled upon which the Travancore Government would construct, or would allow Cochin to construct, the portion of the line passing through the territory of the former state. The Travancore Government eventually announced that "it had no objection to the railway passing through such intervening portions of its territory as may be found absolutely necessary, provided the line did not interfere with any important religious edifice or institution, and that such arrangements are made as may be considered necessary for the protection of customs revenue," and it was prepared "to grant land on condition that full compensation be paid for it, the right acquired by Cochin being merely that of an ordinary private proprietor, sovereign or territorial right continuing in Tavancore state subject of course to such railway jurisdiction as the British Government usually exercises over railways passing through Native States." The Travancore Government was not prepared to consider any exchange of territory, though the frontier at this point is extremely irregular, and an exchange of *enclaves* might with advantage to both states, even without any reference to the railway, have been proposed for the sanction of the paramount power, had both Darbars approved the measure.

Travancore Diwan's letter, dated 26th March 1898—Enclosure I.

7. Now, although the Government of India expects Native States to give land gratuitously for the construction of lines of which it approves, it appeared to me that, if the Cochin state made this line as a state affair without the help of the Government of India, Travancore might fairly expect to be paid for its land, just as Cochin state expected to be paid, when the construction of its line by a company was under contemplation. It was obvious that Travancore could not be urged to give land gratuitously to Cochin, unless it was of its own accord disposed to make such a proposal. The terms of the Travancore Government were not altogether acceptable, and early in April I proceeded to Cochin and as the result of further written and personal negotiations it was arranged that Travancore Government "agreed to acquire the necessary land in Travancore territory under the Land Acquisition Act, and to transfer it to the Cochin Sirkar on the latter paying the compensation assessed." As regards the Sirkar Jenom lands "it would be satisfied with the value of the improvements." But "the Cochin state would pay the usual assessment, which would be a trifle, having regard to the benefits which Cochin is likely to have from the railway".

Travancore Diwan's letter, dated 21st April 1898—Enclosure II.

8. Subsequently the condition was further stated that "land made over should be liable to resumption, if at any future time it should be found not to be required for the railway, upon repayment of the compensation actually paid, minus compensation for damage, if any, which the land might have suffered while in the possession of Cochin." In the same letter * the Diwan intimated that the Travancore Government is willing to cede to the Government of India such jurisdiction, civil as well as criminal, as the latter Government usually exercises over railway lines in Native States, which form part of, or are connected with, a line in British territory." At this juncture, on 5th May, the Cochin Diwan intimated that the Darbar took exception to the payment of revenue assessment, urging that "the railway would develope Travancore territory, which was a sufficient set off for the loss of assessment" and that "if the Travancore Darbar would not yield the point, the Cochin Sirkar would prefer the line to Karupatna".

* Travancore Diwan's letter, dated 26th April 1898, enclosure III.

9. The adoption of this mutilated and incomplete scheme would have been extremely regrettable, and a line from Shoranur to Karupatna, a distance of 40 miles, traversing only half of the State and unconnected with its capital, would have been an altogether inadequate substitute for the proposed line. The Travancore Darbar, however, considered such payment essential, the Cochin Diwan fell ill, and matters were necessarily delayed while I was travelling back again to Cochin. The amount of the assessment was small, though it does not appear to me that with every endeavour to occupy as little Travancore land as possible, it is probable that the line can run through less than about 16 miles of that territory. It is not possible to take a straight line or anything approaching a straight line from Pooyankottai to Ernakulam, because, though the nearer to the sea the less Travancore territory, yet equally the nearer to the sea the more backwater is there, and the more banking and bridging is required. In fact I do not anticipate any great improvement in alignment or any considerable shortening of the course and believe that, under the arrangement now effected, the best plan will be to stick to the line *viâ* Koratti and Alwaye, which has the additional advantage of serving several large villages and running through a Cochin *enclare* after leaving the continuous Cochin frontier. It is desirable, however, that as little as possible of Travancore territory should be occupied—a fact to which the Consulting Engineer for Railways is, I know from demi-official correspondence with myself, fully alive. He has also given the necessary instructions to the surveying party. The character of the country is such that I do not think that the route suggested by the Consulting Engineer, in his letter to the Agent and Manager of the Madras Railway, dated 25th May 1898, can be adopted, and it will be obvious that there is not, now that an agreement has been effected as regards the Travancore land, any such pressing need of a diversion as to make it desirable at the cost of impairing the usefulness of the railway. Nor do I think, in any case, it would be possible to get through in 8, or even 11, miles of Travancore territory.

10. However it was evident that it was not a question of money and, after some further written and personal communications, the Travancore Government intimated its willingness "to accept an annual payment of a lump sum of Rs. 100, not liable to any increase at any time or under any circumstances, purely as an acknowledgment by the Cochin State, of the Sovereignty of Travancore over the land now required, and that will be hereafter required for the purpose of the railway line through Travancore territory." It will be seen that this payment does not in any way partake of the nature of a revenue assessment. It is therefore acceptable to Cochin Darbar while pecuniarily no possible objection can attach to so small a payment. His Highness the Raja of Cochin has intimated to me his approval of this arrangement, and the official letter from his Diwan will be forwarded to you immediately upon its receipt within a few days.

Travancore Diwan's letter, dated 11th June 1898, enclosure IV.

11. I now come to the Cochin Diwan's letter dated 5th June. It contains no reference to this matter, though, in fact, an agreement as regards Travancore land was a necessary preliminary, before the settlement of which the Cochin Government was

Enclosure V.

unwilling to make any formal proposals. I need not comment at any length upon the Diwan's letter, because the matter has been fully discussed between him and me before it was sent in, and it contains nothing upon which I have any particular criticism to offer.

As to the estimate of the cost of the metre gauge line, expert criticism will be available.

As regards paragraph 2, the Cochin line will certainly cost more per mile than the Mysore section of the Southern Mahratta Railway, the country in the latter case being more favourable for railway construction and the land of less value. The estimate of Rs. 75,000 per mile, it will be observed, includes land, and it will prove that the estimate originally adopted for land acquisition, when construction by company was contemplated, was somewhat excessive. A good deal of the land in the Travancore portion is jenm land, upon which value of improvements only will be paid.

I do not see why the line should not be constructed at something like the cost of the South Indian Railway and feel sure that considerable savings might be effected in railway stations. Cut-stone buildings are by no means necessary, and pucca godowns are only required at large centres. This will be a line built by a Native State, chiefly for native traffic, and the class of stations, which rules in British India, might with advantage give way to something not more elaborate than the requirements of the people, who, during the height of the south-west monsoon, move about all day under a palmyra leaf umbrella, and would travel by train without any regard to the class of station provided.

As regards paragraph 3 (section '99), I feel convinced that the Cochin State can well afford to construct the line and think the Diwan fairly states the case. Considerable savings can be effected in buildings and retrenchments in this and in other respects have been ordered by the Darbar and are being carried out. There can be little doubt that a State, with a balance in hand of upwards of 47 lakhs, and a normal annual surplus of upwards of one lakh, can safely undertake the construction of a railway which is expected to cost about 50 lakhs of rupees. I hardly think the Diwan's estimate of the rate of interest the railway will pay is too sanguine, though it may prove that the estimate of a lakh in the fourth year of construction and first of working is a little high. It may, however, be realized if, as is probable, the line is opened to Karupatna at the head of the backwaters in time to allow of traffic during the hot weather months of the third year of construction which seems, by no means, an improbable contingency.

His Highness' opinion that the surplus cannot be devoted to a better object than the construction of a railway must meet with the concurrence of all who have at heart the interests of this rich and populous, though small, State. The density of the population of the low-country taluks is extreme, and the number returned in the census report is 531 per square mile for the whole State and must be double that for the plain districts. With an area of 1,362 square miles, Cochin has a population of 722,900, and a revenue of Rs. 20,65,310. There must be few parts of India so prosperous, and there is every prospect that under the enlightened administration of the present Raja, who is endowed equally with capacity, caution and an earnest desire to improve the material prosperity of his people, the revenues will satisfactorily develope. The accounts of the State are being reorganised, revenue survey and settlement is to be introduced, and His Highness, whose personal expenditure is small, is duly impressed with the necessity of keeping down the more extravagant provision which it has been usual in the State to make for ceremonies, charities and for the maintenance of an unusually large ruling family.

As regards paragraph 7, His Highness having expressed his anxiety that the line should be constructed as early as possible decides, for good and sufficient reasons I think, not to throw the whole of his Government of India promissory-notes into the market at the present time, but to borrow half the capital necessary for the construction of the railway. I do not see that the Diwan has allowed discount on the sale of the notes. At the present ruling price of Rs. 98-8-0 to Rs. 94-8-0, there would be a loss of over a lakh and 25 thousand on the sale of notes to the value of 25 lakhs. But it is considered probable, I believe, in financial circles, that the price of Government paper will shortly rise and perhaps no account need be taken of loss on this score.

At any rate the Government of Cochin could raise a sterling loan in England at less than 4 per cent. with, or even without, the guarantee of the Government of India. But it is for Government to consider whether it is prepared to accede to the suggestion made that it should lend 25 lakhs of rupees. Should it be decided to raise a sterling loan in England, the annual payment under the Interportal Treaty Convention, which averages about a lakh of rupees, would more than cover the interest on the proposed loan and would be a sufficient security.

It has also to be noted that during the last five years the average annual surplus has been a lakh and 43 thousand, and it is probable that this slightly better figure than that adopted by the Diwan will be maintained.

In order to insure the early receipt of the extra revenue anticipated from the new survey and settlement, these operations must be conducted at a very different rate of speed from that which obtains in Travancore. But I see many opportunities of saving in the annual expenditure, and the necessity for meeting the interest payment will compel the application of the shears. At the same time the salt revenue is expanding, the new Stamp Regulation lately passed is bringing increased revenue, and it is not improbable that with a new Abkári Regulation the excise revenue also may expand.

In short, I think if the Government and the Government of India approve of the arrangement proposed between the two States for the construction of such portion of the line as passes through Travancore territory, and if the present judicious administration of the Cochin State continues, the proposals made in the Diwan's letter may be safely accepted.

Enclosures.

I.

From M.R.Ry. S. SHUNGRASOOBYER, Diwan of Travancore, to the British Resident in Travancore and Cochin, dated Trivandrum, 26th March 1898.

I beg to acknowledge receipt of your demi-official of the 14th instant marked " confidential " regarding the proposed Shoranur to Ernakulam Railway. You say that it is probable that the Cochin Government might decide upon constructing the railway out of its own capital and inquire whether in that case His Highness the Maharaja's Government would permit the line to pass through such portions of Travancore as could not be helped, whether they would grant the necessary land to the Cochin Government, receiving from the latter compensation for the same, and whether in case this Government entertain objection to the Cochin Sirkar obtaining in Travancore proprietary rights in regard to land over which the British Government will have to exercise the usual railway jurisdiction, some exchange of territory might not be arranged.

His Highness the Maharaja's Government have no objection to the proposed railway passing through such intervening portions of their territory as may be found absolutely necessary, provided the line does not interfere with any important religious edifice or institution, and that such arrangements are made, as may be considered necessary, for the protection of our customs revenue. They are also prepared to grant the necessary land on condition that full compensation is paid for the same. The right acquired by Cochin over the land so granted will be merely that of an ordinary private proprietor, the Sovereign or territorial right over it continuing in this state subject, of course, to such railway jurisdiction as the British Indian Government usually exercises over railways passing through Native States. His Highness' Government do not think there is any need, nor are they prepared, for any exchange of territory.

II.

From M.R Ry. K. KRISHNASWAMY RAO, Diwan of Travancore, to the British Resident in Travancore and Cochin, dated Trivandrum, 21st April 1898, No. 1405—P.W.

I have the honour to acknowledge receipt of your letter, dated the 10th instant, regarding land for the proposed Cochin Railway and, in reply, to inform you that His Highness' Government would acquire the necessary land in Travancore territory under the Land Acquisition

Regulation and transfer the same to the Cochin Sirkar on the latter paying such compensation as may be assessed under the regulation. As regards Sirkar jenm lands, Government would be satisfied with the value of improvements. But in either case the Cochin State, which will hold the land so transferred as a private proprietor (*vide* this office letter No. 1105, dated 26th ultimo) should, in recognition of the Sovereignty of this State over the land, pay the usual assessment which I take it will be a trifle, having regard to the benefits which Cochin is likely to derive from the railway.

There is no objection to an officer of the Cochin State being present when proceedings under the Land Acquisition Regulation are taken in respect of private lands.

III.

From M.R.Ry. K. KRISHNASWAMY RAO, Diwan of Travancore, to the British Resident in Travancore and Cochin, dated Trivandrum, 26th April 1898, No. 1484—P.W.

In acknowledging receipt of your letter, Circuit No. A-2, dated the 18th instant, I have the honour to refer you that the condition kindly suggested appears necessary and may be inserted with a slight modification. The condition, as modified, will run thus: "That the land shall be liable to resumption if, at any future time, it should be found not to be required for the railway upon repayment of the compensation actually paid, minus compensation for damage, if any, which the land may have suffered while in the possession of Cochin."

In reference to paragraph 2 of your letter, I beg to inform you that His Highness the Maharaja's Government are willing to cede to the Government of India such jurisdiction, civil as well as criminal, as the latter Government usually exercise over railway lines in native states which form part of, or are connected with, a line in British territory.

IV.

From M.R.Ry. K. KRISHNASWAMY RAO, Diwan of Travancore, to the British Resident in Travancore and Cochin, dated Trivandrum, 11th June 1898, No. 2199—P.W.

With reference to the correspondence regarding the Cochin State Railway, I have the honour to inform you that His Highness the Maharaja has been pleased to accept the proposal of the Cochin Government to pay annually to the Travancore Sircar a lump sum of Rs. (100) one hundred, not liable to any increase at any time or under any circumstances, purely as an acknowledgment by the Cochin State of the Sovereignty of Travancore over the lands now required and that will hereafter be required for the proposed railway line through Travancore territory.

Telegram from the Resident, Trivandrum, to the Chief Secretary to Government, dated Ootacamund, 16th June 1898.

My letter twelfth; Cochin Darbar telegraph agreeing Travancore terms; letter follows.

From J. D. REES, Esq., C.I.E., British Resident in Travancore and Cochin, to the Chief Secretary to Government, dated Trivandrum, 19th June 1898.

In continuation of my telegrams of 16th instant, I have the honour to forward copy of letter, dated the 15th June 1898, R.C. No. 4055, received to-day from the Diwan of Cochin formally agreeing to the terms stated in paragraph 10 of my letter, dated 12th instant, R.C. No. 1852.

2. With reference to your telegram No. 314, dated 15th instant, and to previous telegrams on this subject, I have to say that the Diwan's letter, dated 5th June, on the financial condition of Cochin only reached me on the 12th instant. I could not get the report at an earlier date as the Cochin Government was not prepared to make proposals concerning the railway until the negotiations regarding the Travancore land were complete. These, I think Government is aware, required careful treatment and could not be hurried through. They were only finally concluded and accepted by both sides on the 13th instant, and on the 13th I despatched to Government my letter dated 12th instant.

Enclosure.

From M.R.Ry. Rao Sahib S. SWAMINATHA AIYAR Avargal, Officiating Diwan of Cochin, to the British Resident in Travancore and Cochin, dated Ernaculam, 15th June 1898, R. C. No. 4055.

With reference to your letter, Ref. on No. 1830, dated 11th instant, and in continuation of the marginally-noted message of this day, I have the honour to state that His Highness the Raja has been pleased to accept the terms of the Travancore Government and agrees to pay a lump sum of Rs. 100 per annum as a royalty to the Travancore Government on the understanding that this fixed amount of contribution is not treated as assessment on the land covered by railway, that it is not liable to any increase at any time or under any circumstance and that it is intended purely as an acknowledgment by this Government of the sovereignty of Travancore over the lands now required and that may be required at any future time for the proposed Shoranur-Cochin Railway passing through the Travancore territory.

Your telegram 11th Railway. This Government agrees to terms of Travancore Government. Letter follows.

ORDER—No. 411, Political, dated 20th June 1898.

Communicated to the Public Works Department (Railway).

2. The following telegram will be despatched to Government of India, Foreign Department, Simla:—

328. In continuation my telegram 312, fourteenth instant, and, in reply, yours 4376-I.B., 1st December 1897. Revised proposals, Cochin-Shoranur line, now received from Darbar contemplate Cochin owning the entire line. Travancore has agreed to give land required in its State on payment by Cochin of nominal annual sum. Cochin proposes invest 25 out of its 47 lakhs surplus in scheme and to borrow remainder estimated at 25 lakhs. Railway department think this probably sufficient for metre gauge line. Scheme will be examined Railway and Political departments here and complete report forwarded Government India due course.

(True Extract.)

G. STOKES,
Chief Secretary.

To the Public Works Department (Railway).
„ Resident in Travancore and Cochin.

Exd. W. D'Moss.

✱CHIEF [illegible]
27. JUN. [illegible]
GOVERNMENT OF MAD

HUZUR CUTCHERY,
Ernakulam,
5th June, 1898.

From

P. RAJAGOPALA CHARI, Esq,
Diwan of Cochin.

To,

J. D. REES, Esq, C. S., C. I. E.,
British Resident in Travancore & Cochin.

Sir,

I am directed by His Highness the Raja to address you in regard to a scheme for constructing a line of Railway between Shoranore and Ernakulam at the expense of the Cochin State. I have already intimated to you that His Highness has unreservedly accepted the opinion of the Madras Government that a line on the metre gauge will amply suffice to carry the passenger and goods traffic that is likely to come to it.

2. I am directed, in this letter, to confine myself solely to the consideration of the question whether His Highness' Government can afford to construct the line at its own expense, and to show that it can. No regular estimate of the probable cost of a line between Shoranore and Ernakulam *on the metre gauge* has yet been framed; but, it is found from the Note of the Consulting Engineer for Railways, printed in G. O. dated 18th November, 1895, No. 774 R, that the reduced cost of a *broad gauge* line between the two places is estimated to be Rs. 1,04,900[*] per mile. A line on the metre gauge will of course cost less, and for the purpose of this letter, it is assumed that a metre gauge line will probably cost about Rs. 75,000 per mile. It is observed that the cost per mile of the South Indian Railway, including the cost of land, the rolling stock, and maintenance allowed to be charged to capital, amounted to Rs. 70,844; and of the Southern Mahratta Railway, including the cost of land, and the rolling stock, to Rs. 89,859; whereas the Mysore section of the Southern Mahratta Railway cost only Rs. 48,478 per mile, including the cost of land, and the rolling stock. On the whole, it seems to His Highness that it is safe to take the probable cost of the Shoranore-Ernakulam line, including the cost of land, and the rolling stock, at Rs. 75,000 per mile. The length of this line, *according to the shortest surveyed route*, is calculated to be 63½ miles, of which about half a mile will be in British Territory, and about 15½ miles in Travancore Territory, and the remainder in Cochin Territory[†]. As the Government of Travancore is not willing to participate in the enterprise, but has agreed to grant, on payment of compensation, the land necessary for the construction of the portion of the line running in Travancore Territory, the expenditure for constructing the entire line will devolve on Cochin. At the rate of Rs. 75,000 per mile, the probable cost of the line can be taken to be Rs. 47,62,500, or in round numbers, say, 50 lakhs of rupees.

3. His Highness considers that this expenditure can, in the present financial condition of the Cochin State, well be incurred. Subjoined is a statement of the revenue and expenditure of the State for the quinquennium ending with 1,072, *excluding debt heads.*

---

[*] Exclusive of the rolling stock.

[†] Vide Mr. Dallas' Report, para 13. This route is the one *via* Koruttee, Shewarrah, Keelamad, and Edapilly.

Head of receipt or expenditure.	1,0 68.		1,069.		1,070.		1,071.		1,072.		Remarks.
	Receipt rs.	Expenditure rs.	Receipt rs.	Expenditure rs.	Receipt rs.	Expenditure rs.	Receipt rs.	Expenditure rs.	Receipt rs.	Expenditure rs.	
Land revenue	6,92,115	72,716	6,93,934	69,453	7,07,487	72,422	6,89,604	68,049	6,59,830	84,442	1,068 Deficit of Rs. 25,098 1,069 Surplus of " 2,30,772 1,070 Surplus of " 1,44,647 1,071 Surplus of " 14,769 1,072 Surplus of " 1,95,428 Total surplus of all the five years—rs. 5,60,518 Average surplus of a year—rs. 1,12,104
Salt	4,12,369	61,177	4,63,987	1,00,345	4,98,555	1,07,879	4,33,320	94,339	5,00,030	78,157	
Customs	1,10,823	1,257	1,11,392	1,369	1,13,874	1,322	1,09,820	905	3,080	1,473	
Stamp	40,880	1,152	44,682	1,234	43,286	1,228	69,507	1,370	1,32,996	17,332	
Abkari, Opium, and Tobacco ...	1,37,116	—	1,63,692	—	1,66,689	—	1,53,254	—	2,08,604	—	
Forest	1,12,553	58,147	1,27,711	62,215	1,17,635	65,840	81,352	541 85	68,805	37,408	
Interest	1,43,642	—	1,59,074	—	1,24,726	—	79,714	—	2,01,514	—	
Law and Justice	64,165	88,455	70,004	90,194	70,535	89,802	83,640	90,170	94,289	91,578	
Education	18,630	83,348	20,315	86,342	23,604	93,272	25,922	91,548	28,462	1,01,484	
Palace	—	2,73,514	—	2,81,139	—	2,76,384	—	2,71,727	—	2,74,229	
Subsidy	—	2,00,089	—	2,00,089	—	2,00,089	—	2,00,089	—	2,00,089	
General administration	—	49,166	—	51,647	—	52,351	—	50,862	—	46,455	
Police	2,540	57,860	2,475	60,835	2,382	60,486	2,541	55,724	245	61,569	
Religious and charitable	—	1,66,175	—	1,72,816	—	1,67,881	—	1,54,229	58,415	98,856	
Medical, Sanitation, & Conservancy	—	47,822	—	49,969	—	48,375	—	59,476	—	56,712	
Military	—	39,484	—	41,248	—	38,101	—	40,972	—	39,004	
Civil works	18,981	3,72,207	22,345	3,51,962	22,979	4,53,922	22,281	4,33,888	23,986	5,25,280	
Pension and gratuity	—	24,998	—	30,495	—	26,047	—	22,980	—	35,545	
Miscellaneous	87,250	2,68,595	98,200	95,687	1,11,187	1,02,891	1,11,870	1,57,543	85,054	1,20,269	
Total ...	18,41,064	18,66,162	19,77,811	17,47,039	20,02,939	18,58,292	18,62,825	18,48.056	20,65,310	18,69,882	

Note :—Debt Heads are *excluded* from the above statement. If they be *included*, the average surplus per year for the quinquennium would amount to Rs. 1,14,329.

4. You will see from the above statement, that the average surplus per year during the quinquennium amounted to Rs. 1,12,104. You are aware that the State has a large reserve in Government of India Pro Notes, which, on the last day of 1,072, amounted to Rs. 36,62,100, to which has to be added a lakh purchased during the year 1,073. The closing balance of 1,072, including the Government of India Pro Notes, amounted to Rs. 44,61,278, and it is expected that, when 1,073 ends, the closing balance will exceed 47 lakhs of rupees*.

5. It seems to His Highness, that a State, with a balance in hand of more than 47 lakhs of rupees, and with a normal surplus of revenue of more than a lakh of rupees per year, can safely undertake the construction of a Railway which is expected to cost about 50 lakhs of rupees. The Government of India Pro Notes now held by the State partly bear 3½ per cent interest, and partly 3 per cent interest. There can be no doubt, that, within a few years after its construction, the metre gauge Railway from Shoranur to Ernakulam will pay not less than 3 per cent interest, so that the risk involved in transferring the entire or a portion of the investments of the State from Government of India Pro Notes to the construction of a Railway is compartively small; and it seems to His Highness to be a risk which a State with an average annual surplus of revenue of more than a lakh of rupees can safely afford to incur.

6. His Highness is very anxious that this line should be constructed as soon as possible, and as a State line, and His Highness is of the decided opinion that no better utilisation can be made of the surplus in hand, than by expending it in the construction of a Railway which will traverse his State from one end to the other, and aid considerably towards the development of its material resources.

7. It may probably not be found advisable, considering the heavy discount at which Government of India Pro Notes *now* sell, for the State to throw into the market for sale its entire investments in such Notes. His Highness thinks it safer to borrow half the capital necessary for the construction of the Railway, and I am directed to enquire whether the British Government will be so good as to lend this amount. If, say, 25 lakhs of rupees can be borrowed, the other 25 lakhs can be taken from the savings in hand. In this connection, I am directed to add, that, from private enquiries made, His Highness has reason to believe that a sterling loan of 25 lakhs of rupees, bearing 4 per cent interest, can be easily raised in England on the security of the amount annually payable to His Highness by the British Government under the Inter-Portal Trade Convention†. This however is a matter of detail which can be settled hereafter, should the general scheme commend itself to the British Government.

8. You are aware that a revenue survey is likely to be made of Cochin very soon, and from information before him, His Highness has reason to believe that this survey, and the settlement of land assessments which will follow it, will result in an increase of revenue of not less than a lakh and half of rupees. These operations however will necessarily take time; and for the first few years, the increase in the land revenue will probably be absorbed by the special establishments which will have to be maintained. But there can be no doubt that, after, say, three or four years, the net land revenue will begin to show a steady increase, as a result of the operations of the Survey and Settlement Departments. Again, you will see from a reference to the statement given in para 3 supra, that the expenditure on Public Works has risen from Rs. 3,72,207 in 1,068, to Rs. 5,25,280 in 1,072. The year 1,072 however was an abnormal one, as a portion of the Public Works expenditure in that year was due to the adjustment of old bills. For 1,073, the budget allotment for Public Works is 5 lakhs of rupees, and for 1,074, it has been reduced to 3½ lakhs His Highness does not think that the construction of the Railway will enable his

---

* The year 1,073 ends on 15th August, 1898. The closing balance of 1,073, according to the revised estimate, is expected to be Rs. 47,23,889 (including the Government of India Pro Notes.)

† This amount slightly varies from year to year: but it can be safely taken to amount to Rs. 1,05,000 per annum, which more than covers the interest at 4 per cent on a loan of 25 lakhs of rupees.

Government to save anything worth mentioning in its expenditure on *roads*. On the other hand, it is probable that the expenditure on roads might even have to be increased, at any rate for the first few years, on account of the construction of feeder roads in connection with the Railway. But His Highness thinks that the expenditure on *buildings* can, without any serious inconvenience, be reduced, and for a State with an annual revenue of between 19 and 20 lakhs of rupees, an expenditure of about 4 lakhs of rupees on Public Works is, in His Highness' opinion, ample. If the expenditure on Public Works be kept within this limit, *His Highness feels tolerably certain that a normal surplus of revenue of about Rs. 1,25,000 per annum can be safely counted upon,* independent of such increase in the revenue as may result from the operations of the Survey and Settlement Departments.

9. I am further directed to give a resumé of how the borrowing of 25 lakhs of rupees at 4 per cent interest, and the transfer of 25 lakhs of the State's investments from Government Pro Notes to the Railway, will affect the finances of the State for a series of years. It is assumed that the construction of the line will take about three years, and that the capital outlay of 50 lakhs of rupees will be spent evenly over this period of three years. It is further assumed that the Railway will begin to work in the fourth year after the commencement of its construction, and that it will yield in the first year of its working a net profit of 2 per cent on the capital outlay, and in each succeeding year ½ per cent more till the profit reaches 4 per cent.

10. *First year.*—In this year, the main items of Railway expenditure will probably be the acquisition of land, and earthwork; and this expenditure, it is proposed to meet from the investments of the State, as the sterling loan of 25 lakhs of rupees will have to be reserved for the purchase of such materials as are required from England. It is therefore assumed that 17 lakhs of rupees will be transferred during the first year from the investments of the State to the Railway. As the money will be spent during the course of the year, and as the Pro Notes will be sold in instalments as necessity arises, the reduction of current revenue under the head of "Interest" is not likely to exceed 1¾* per cent on the aforesaid 17 lakhs: and this amounts to Rs. 29,750. Deducting this amount from the normal surplus of Rs. 1,25,000†, the net surplus for the first year may be taken to be Rs. 95,250.

Second year.—In this year, it is assumed that the investments of the State to the extent of 8 lakhs of rupees, and also 9 lakhs of borrowed money, will be spent upon the Railway. The loss of current revenue under the head of "Interest" on account of the transfer of the State's investments will be 3½ per cent on the 17 lakhs spent in the first year, plus 1¾ per cent on the 8 lakhs spent in the second year, or Rs. 73,500 in all. Further, the State will have to pay 4 per cent on the 9 lakhs borrowed, which would amount to Rs. 36,000. Deducting Rs. 73,500 plus Rs. 36,000, or Rs. 1,09,500, from the normal surplus of Rs. 1,25,000 †, the net surplus of the second year may be taken to be Rs. 15,500.

Third year.—In the third year, the State will lose under the head of "Interest," 3½ per cent on 25 lakhs, or Rs. 87,500, and it will also have to pay 4 per cent interest on the loan of 25 lakhs, amounting to Rs. 1,00,000. The two amounts aggregate to Rs. 1,87,500. Deducting from this the normal surplus of Rs. 1,25,000, we arrive at a *deficit* of Rs. 62,500 for the third year ‡.

---

* I assume that the 3½ per cent Government of India paper will be sold: and as the expenditure of 17 lakhs of rupees will be evenly spread over the year, the loss of interest is taken at ½ of 3½ or 1¾ per cent.

† Vide para 8 supra.

‡ It is of course understood that the Diwan, when preparing the Budget, will attempt to effect such reductions as may be feasible to wipe out this deficit.

Fourth year.—This year, and in subsequent years till the liquidation of the loan, the loss to the State on account of the reduction of revenue under the head of "Interest," and on account of the interest payable on the borrowed capital, will be Rs. 1,87,500. As the Railway is expected to pay 2 per cent this year, the receipts from it can be taken to be Rs. 1,00,000. Add to this, the normal surplus of Rs. 1,25,000, and the net surplus may be taken to be Rs. 1,00,000, plus Rs. 1,25,000, minus Rs. 1,87,500, or in other words Rs. 37,500.

Fifth year.—As the Railway will pay ½ per cent more this year than in the previous one, the surplus can be taken to be Rs. 37,500, plus Rs 25,000 (½ per cent on 50 lakhs), or Rs. 62,500.

Sixth year.—The surplus will rise to Rs. 62,500, plus Rs. 25,000, or Rs. 87,500.

Seventh year.—The surplus will rise to Rs. 87,500, plus Rs. 25,000, or Rs. 1,12,500.

Eighth year.—This year, the Railway will pay 4 per cent: and the surplus will be Rs. 1,12,500, plus Rs. 25,000, or Rs. 1,37,500. In succeeding years, the same surplus of Rs. 1,37,500 may be expected.

11. In regard to a Sinking Fund for the repayment of the loan of 25 lakhs of rupees, it may not be practicable to provide for it during the first three years. The Sinking Fund can however well begin with the fourth year, and it can be worked as follows:—

Year.	*Anticipated surplus.*	*Amount of the surplus that can be devoted to the Sinking Fund.*
First	95,250	....
Second	15,500	....
Third	-62,500	....
Fourth	37,500	25,000
Fifth	62,500	50,000
Sixth	87,500	75,000
Seventh	1,12,500	1,00,000
Eighth	1,37,500	1,25,000,

and Rs. 1,25,000 for each succeeding year, till the loan is discharged. If the Sinking Fund is to bear interest at 3 per cent, the loan can be discharged in 17 years, or in 20 years counting from the commencement of the construction of the Railway.

12. In making the above forecast, care has been taken not to over-estimate the receipts, or to under-estimate the expenditure. No credit has been taken for any increase of revenue consequent on the probable material development which may be expected to follow the construction of the Railway. *The figures upon which the forecast is based are the actuals of the last five years.* Though it is pretty certain that the Survey and Settlement of the State will be over within the next five years or so, no credit has been taken for the probable increase of revenue amounting to Rs. 1,50,000 anticipated under the head of "Land Revenue*." That increase will therefore be available to meet such development in the expenditure as may take place hereafter. It seems to His Highness that the period of 20 years from the commencement of the construction of the Railway will be the *utmost* that will be required for the repayment of the loan of 25 lakhs of rupees which it is proposed to borrow.

13. I subjoin a statement embodying for easy reference the forecast given in paras 8 to 11 supra.

---

* Vide para 8 supra,

YEAR.	Normal surplus according to para 8.	Deduct loss of revenue under the head of "interest" according to para 10.	Balance.	Add Railway receipts according to paras 9 & 10.	Total.	Deduct interest payable on loan according to para 10.	Balance.	Deduct allotment to Sinking Fund according to para 11.	Net surplus.	REMARKS.
1	2	3	4	5	6	7	8	9	10	11
	Rs.	Rs,	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
First year ...	1,25,000	29,750	95,250	—	95,250	—	95,250	—	95,250	Total of column 10, when the 20th year closes and the loan is liquidated, will be Rupees 2,60,750.
Second year ...	1,25,000	73,500	51,500	—	51,500	36,000	15,500	—	15,500	
Third year ...	1,25,000	87,500	37,500	—	37,500	1,00,000	—62,500	—	—62,500	
Fourth year ...	1,25,000	87,500	37,500	1,00,000	1,37,500	1,00,000	37,500	25,000	12,500	
Fifth year ...	1,25,000	87,500	37,500	1,25,000	1,62,500	1,00,000	62,500	50,000	12,500	
Sixth year ...	1,25,000	87,500	37,500	1,50,000	1,87,500	1,00,000	87,500	75,000	12,500	
Seventh year ...	1,25,000	87,500	37,500	1,75,000	2,12,500	1,00,000	1,12,500	1,00,000	12,500	
Eighth year ...	1,25,000	87,500	37,500	2,00,000	2,37,500	1,00,000	1,37,500	1,25,000	12,500	
Every succeeding year till the liquidation of the loan	1,25,000	87,500	37,500	2,00,000	2,37,500	1,00,000	1,37,500	1,25,000	12,500	

14. The financial condition of the State at the end of 1,073 is compared below with what it is expected to be 20 years hence when the Railway loan is liquidated:—

ITEMS.	1,073.	20 years after 1,073.
Balance including cash and Government of India Pro Notes, on the last day of 1,073.	47,23,889	
Deduct 25 lakhs of rupees to be transferred to the Railway	25,00,000	
Balance of cash and Government of India Pro Notes		22,23,889
Add capital value of the Railway ...		50,00,000
Add net surplus after providing for the Sinking Fund		2,60,750
Balance including the value of the Railway, Government of India Pro Notes, and cash, 20 years hence		74,84,639

Thus, the State is expected to be richer by Rs. 27,60,750* at the end of the period. It should be noted that, in calculating as above, no credit has been taken for the probable increase in the revenue consequent on the survey and settlement.

15. For these reasons, His Highness thinks that the scheme proposed is feasible, that it involves very little risk, and that this little risk is well worth incurring in view to the importance of the end to be achieved. I am therefore directed to request you to be so good as to lay this matter before the Government of Madras, and to move that Government to obtain the sanction of the Government of India to the scheme for the construction of the Shoranore-Ernakulam Railway now submitted.

---

* Difference between Rs. 74,84,639 and Rs. 47,23,889.

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

Diwan of Cochin.

[G. / 9]
1,000—19-2-97.

Poll (1898) Department.

D. O No. 174

From J. D. Rees Esq.

D. O.

No.

Dated 15th March 1898

Received
Registered } 18th March 1898

Enclosures C 1445 Poll with Encl

Spare copies

SUBJECT.

Re: Shoranore-Cochin Railway.

BACK PAPERS.

G.O.	No.	Department.	Date

FURTHER PAPERS.

G.O.	No.	Department.	Date.

174

ranore-Cochin Railway.

Camp. 15 March 1898.

THE RESIDENCY TRAVANCORE

18.3.98
N.A.

1

My dear Arundel,

I have to acknowledge receipt of your D.O. letter of the 24th of February, and first of all to return original telegram, Current No. 1448, which accompanied your letter, and copy of G.O. 694 R dated 20th September 1897 P.W. (R) and also two printed notes of Spring, of which I have copies, as indeed I have of all the other papers returned. 2. I have now ~~in view~~ to address Travancore Durbar in regard to the question relating to provision of land for such portion of the line as must necessarily pass through Travancore, which may, I hope, be reduced to a minimum. Meanwhile with reference to the last sentence in your letter, apparently, the Govt of India will not require any report as regards the financial capabilities of Travancore, as desired in its telegram Foreign No. 4376 I.B.; because the Travancore Durbar has expressed its unwillingness to

Registration of traffic. 5. As regards the new terms offered for the Construction of the line, whether North or South, (Vide G.O. P.D No. 88 dated 2nd Feb) the Travancore Durbar, while naturally approving of the reduction in the rate of interest from 3 to 2½ p.c., entertains misgivings as to the expediency of undertaking sterling guarantee, on account of exchange fluctuations, and as regards the third condition asks with reference to the figures in the Govt. of India letter No. 1746 Re. dated 22nd Oct 97 whether the percentage of gross receipts to be allowed as working expenses is 56 p.c. as it would appear from those figures, or a rate not exceeding 50 p.c. of the gross earnings as appeared from the earlier resolution of the Govt. of India. 6. As regards the division of surplus profits contemplated in the new scheme, the Durbar observes that the 4th condition materially differs from that previously offered and accepted viz that the surplus profits

should be divided between the Govt. of India and the State in proportion to the capital cost of the sections of the line in British territory and the Travancore State respectively. The Dewan says, "according to Mr. Spring's estimate the length and cost of the British and Trivandrum sections are 46 miles and 28 lakhs of rupees, and 57 miles and 89 lakhs of rupees respectively under the terms previously offered; therefore the surplus profits would be divided in the proportion of 28 : 89 while under the terms now proposed the ratio would be 46 to 57." He adds, "as the liability in respect of guarantee is with reference to the capital outlay on the two sections, H. H's Govt. hopes that the Government of India may, on reconsideration, be disposed to allow the division of the surplus profits and liabilities to be made on the same basis." I have only just received this letter, and I have not received an answer to mine communicating to the Durbar the substance of Railway order received with Political order No 131 dated 21st February setting forth the pros and cons ~~of~~ the Northern and Southern routes. But I think it desirable to intimate the substance of the Travancore Dewan's letter that Govt may have the earliest information as to the present state of affairs. I shall be greatly obliged if you will pass this letter on to Spring, who may facilitate the settlement by noting the various points upon which differences of opinion up till now exist.

7. The Cochin Dewan states that ~~the~~ his Govt can well afford to provide the Capital for the meter gauge extension having

40 lakhs in hand and being able, without difficulty to raise 10 more. ~~Spring has~~ 8. Spring has written to me on the 7th March with reference to my statement that there would be difficulties, ~~somewhat little big~~ to be overcome, as regards Travancore land for Cochin line, suggesting that the line might end at present at some point a little south of Karunapatana, at the top of the backwaters, and before Travancore territory is reached. I do not, however, anticipate such difficulty as to make ~~any~~ recourse to this mutilative scheme necessary. I had already, on my own motion, been enquiring whether it was possible to get through without passing through Travancore territory; I am afraid it isn't.

Promising an early official communication, but believing that this letter in the meanwhile may be acceptable. I am, Yours sincerely J. D. Rees.

Kps & notes connected with

G.O. No. 411 Political / 20.6.98 Print

1

Shoranore-Cochin Railway. Camp. 15th March 1898.

My dear Arundel,

B
A
C
D + E

I have to acknowledge the receipt of your D.O. letter of the 24th of Febrmary, and first of all to return original telegram, Current No.1445, which accompanied your letter, and copy of G.O. 694 R, dated 20th September 1897 P.W. (R) ~~dated~~ and also two printed notes of Spring, of which I have copies as indeed I have of all the other papers returned.

2. I have now to address Travancore Durbar in regard to the question relating to provision of land for such portion of the line as must necessarily pass through Travancore, which may, I hope, be reduced to a minimum. Meanwhile with reference to the last sentence in your letter, apparently, the Government of India will not require any report as regards the Financial capabilities of Travancore, as desired in its telegram Foreign No.4376 J.B; because the Travancore Durbar has expressed its unwillingness to subscribe to any guarantee for the Shoranoor-Cochin Railway and it was solely in connection with this matter that the enquiry was ~~md~~ made.

B

Pol. c. no. 1445 A

Fresh para

3. It appears that this decision is not unwelcome, in view of the fact that no subscription to a guarantee will probably be required if, as is probable, it is decided to make the line upon the meter (sic) gauge and entirely out of capital provided by Cochin. However, I shall address you again, shortly, on this subject; but meanwhile take the opportunity to state that the Cochin Durbar, even before it was in possession of all the arguments in favour of the meter gauge, contained in Spring's notes and duly communicated by me to the Durbar, had expressed its readiness to accept the meter gauge if the Madras Government thought it preferable. I have therefore ~~to ask~~ now to arrange that formal proposals shall be sent in by H.H. the Raja of Cochin after the question of the land has been placed upon a satisfactory basis.

Fresh para.

4. I may take this opportunity to say that

Tinnevelly
Travancorebefore Travancore Durbar had received my last letter setting
Railway.

~~setting~~ setting out the pros and cons of Northern and Southern route upon receipt of G.O., No.278, dated 18th February 1898, P.W. (R) communicated with G.O., P.D. No.131, dated 21st February, the Durbar had written to me upon my previous communication on the subject to say that, in view of the long discussion that had taken place, they would be glad if the Northern route could be adopted and work started at once; but, that ~~as~~ Mr. Spring so strongly recommended the Southern route and as the South Indian Railway also had such a decided preference therefor, H.H's Government had no objection to that line being properly investigated, that H.H's Government must defer its final opinion until ~~the~~ in possession of the results of a Scientific Survey and an accurate Registration of traffic.

orig sent to Resdt

F

Fresh para

5. As regards the new terms offered for the construction of the line, whether North or South, (vide G.O., P.D.No.88, dated 2nd Feb.) the Travancore Durbar, while naturally approving of the reduction in the rate of interest from 3 to 3½ %, entertains misgivings ~~as~~ as to the expediency of undertaking sterling guarantee on account of exchange fluctuations and as regards the third condition asks with reference to the figures in the Government of India letter No.1746 R.C. dated 22nd October 1897 whether the per centage of gross receipts to be allowed has working expenses is 56 p.c. as it would appear from those figures, or a rate not exceeding 50 p.c. of the gross earnings as appeared from the earlier resolution of the Government of India.

G PWD

G.O. sent in orig to the Resdt

Not comm to Pol

6. As regards the division of surplus profits contemplated in the new scheme, the Durbar observes that the 4th condition materially ~~deviates~~ differs from that previously offered and accepted viz, that the surplus profits should be divided between the Government of India and the State in proportion to the capital cost of the ~~cost~~ sections of the line in British Territory and the Travancore State respectively. The Diwan says according to Mr. Spring's estimate the length and cost of the British and Trivandrum sections are 46 miles and 28 lakhs of Rupees, and 57 miles and 89 lakhs of rupees, respectively, under the terms

12

terms previously offered; therefore the surplus profits would be divided in the proportion of 28:89 while under the terms now proposed the ratio would be 46 to 57." He adds", as the liability in respect of guarantee is with reference to the capital outlay on the two sections, H.H's Government hopes that the Government of India may, on reconsideration, be disposed to allow the division of the surplus profits and liabilities to be made on the same basis". I have only just received this letter and I have not received an answer to mine communicating to the Durbar the substance of Railway order received with Political order No.131, dated 21st February setting forth the pros and cons of the Northern and Southern routes. But I think it desirable to intimate the substance of the Travancore ~~Durbar~~ Diwan's letter that Government may have the earliest information as to the present state of affairs. I shall be greatly obliged if you will pass this letter on to Spring, who may facilitate the settlement by noting the various points upon which differences of opinion up till now exist.

F

Shoranore-Cochin Railway

7. The Cochin Diwan states that his Government can well afford to provide the capital for the meter gauge extension having 40 lakhs in hand and being able, without difficulty to raise 10 more, ~~written~~

8. Spring has written to me on the 7th March with reference to my statement that there would be difficulties, to be overcome, as regards Travancore land for Cochin line, suggesting that the line might end at present at some point a little ~~soh~~ south of Kuruvapatana, at the top of the back waters, and before Travancore territory is reached. I do not, however, anticipate such difficulty as to make recourse to this mutilative scheme necessary. I had already on my own motion, been enquiring whether it was possible to get through without passing through Travancore territory; I am afraid it is'nt.

Promising an early official communication, but believing that this letter in the meanwhile may be acceptable.

I am, Yours sincerely
(Signed) J.D.Rees.

This was D.O. throughout? but is against the recognised practice for communications to the Resident of one of our Native States to issue otherwise than thro' Gt. This course has its advantages.

Cml

183-98.

32

[G/75]
2,000—24-8-97.

Ca

NOTE FOR THE ~~UNDER SECRETARY~~.

I can't follow this. Mr. Rees' appears to be mixing up the Shoranur-Cochin with the Tinnevelly Travancore Ry - in parts. But the references will perhaps make it clear.

ACA 18.3.98.

[G. / 9]
1,000—19-2-97.

Pol (189) Department.

D.O. Sent to Mr Spring
for perusal & return
28/3/98

D. O No. 201

From
J D Rees Esq C.I.E. I.C.S

D. O.

No.

Dated 24-3-98
Received 28-3-98
Registered -
Enclosures -
Spare copies -

SUBJECT.

Regarding the Tinnevelly, Quilon and Shoranore-Cochin Railways

BACK PAPERS.

G.O.	No.	Department.	Date

FURTHER PAPERS.

G.O.	No.	Department.	Date.

4

D. O. No. 201.
(Pol)

Travancore Railway.

The Residency
Travancore

A.24
30.3.98

24 March 98.

My dear Arundel

I have just had another letter from Dewan, in answer to mine on G.O. (P) 131 Dt. 21st Feby., our Ry. 278. Dt 18 Feby/98.

He confirms contents of his former letter tenour of which has been d.o. communicated to you, & on understanding that all surveys will be debitable to capital raised, has no objection to advancing money for Southern Survey if desired. He adds that H.H.'s Govt. has no objection to the "Tinnevelly-Travancore" or "Travancore Ry." as the name of the line.

(4)

Cochin Railway.

Dewan answering my letter on your D.O. 24th Feby 98 forwarding Spring's (Cur: no 299) d/18 Feby. says by telegram.

"H.H. considered your letter of 4th instant, accepts metre guage unreservedly. Railway must pass through [part of] Travancore. Would Travancore construct their portion or allow Cochin to do it. Information necessary for full report now preparing."

This brings your information up to date.

I have addressed Travancore Durbar as to its action in this behalf, & am trying to get an indication of Durbar's attitude before I come to Madras just before Easter Holidays – 4th April.

Afterwards I go to Cochin & hope that then the formal proposals may be made. Please kindly pass this on to Spring, who has only half its contents.

Yours sincerely

J.D. Rees.

Hon'ble

A.T. Arundel.

To Mr. Spring
for perusal & return.

ACS 28.3.98

Seen - thanks.

FJS
5/4/98

ACS 9.4.98

S/ Keep this with the file

CMS
10/4/98

GOVERNMENT OF MADRAS

Chief Secretariat,
OOTACAMUND.

25/4 1895

Dear Mr Spring.

I am not doing Political. but I find that no wire from the Resident regarding the Cochin Board &c has been received.

The office explains with regard to the letter

Enclo. No. 1 to Coll. C.N. 596.

d. 27/3 – that
it was printed (at
the request of the Resident)
before it was sent to
you.

Yours truly

Urgent

Political (1898) Department.

CURRENT No. 596

VE

Ref S } Note para 1 of the O.N. There are no papers in hand I understand. Report very sharp

Cmb 26/4/98

There are no papers now in the Ref Deptt

AS 27/4/98

There are no currents with me. A reply from VSM 27/4/98. the Resident is however due to Do flagged B in G.O. 132 Pol. 21-2-98

Order

CS

Despd 28/4/98

Telegram to Resident in Trav & Cochin

207.x When may reply to do. of 24th February regarding Shoranur Cochin Railway be expected

Cmb 28/4/98

ALt 28.4.98.

Make sure that there is no delay in disposing of any of these references.

ALt

He does not ask this. The docket is wrong.

ALt

From The Public Works Dept Railway Branch

No. 13. R.M / O.

Quote

Dated 26th April 1898

Received 26/4/98

Registered — do

Enclosures 1 File of papers = C. No. 496 with 2 encls.

Spare copies

SUBJECT.

Railway Conference of 1898

Requesting that as all Ry projects for the — should be sent by the 15th May, he may chase all ~~allowed to keep direct correspondence with the~~ from the Resident, Travancore & Cochin ~~to save delay~~. without any preventible delay.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

[Poll.]

Form No. 6.

Current No 596

Public Works Department,
Railway Branch.

OFFICE NOTE No. 13 R. Mc

Dated 26th April 1898.

From

THE JOINT SECRETARY TO GOVERNMENT, P. W. D. (RAILWAY BRANCH),

To

THE Honourable the Chief Secretary to Government,
Political Department.

As all Railway projects for the ensuing year must be before the Government of India by May 15th for consideration at this years Railway Conference, it is very urgently necessary that I should have any communications which the Political Department may receive from the Resident in Travancore and Cochin without any preventible delay.

2. Political Current No. 496 of 1898, which reached that Department on the 2nd instant, and which demanded an immediate reply from me on several points, only reached me on the 25th. It was kept in order that it might be printed. But I could have got it printed, and might all the time have been dealing with it.

Saturday

Sent to Press on 4 April - Monday
The paper was a long one & six
days [illegible] followed.

Despatched from Political
on the 22nd.
Delivered to P. W. D.
on the 23rd not 25th.

Spring
Joint Secretary.

Poll.
7
500—11-6-97.

Political (1898) Department.

CURRENT No. 622

V.E.

Telegram

From

The Resident in
Travancore & Cochin

~~**Order**~~

No. 1030
2.5.98

To

P.W.D. Railway Branch
for perusal and return.

Cwd
1.5.98

Ad 2.5.98

Returned. Thanks.
F.K.S.
3/5/98

To

The P.W.D., Railway Branch
with file in original to be returned

No.

Dated 30-4-98

Received 1st } 5-98
Registered 2nd }

Enclosures

Spare copies

SUBJECT.

Re Shoranore-Cochin Ry.

N

To Lie over pending
receipt of further communication
from the Resident in Travancore
and Cochin

& Keep a sharp look out for it
Cwd

Cwd
3.5.98

8

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

The Resident in

P.W.D. Railway Branch
for favour and notes.

30-4-98

To
P.W.D. Railway Branch
with file in original

Re Shoranur Cochin Ry

To lie over pending
Receipt of further communication
from the Resident in Travancore
and Cochin

Quick

Current No 622.

INDIAN TELEGRAPHS.

Code Class. 3s

Monthly Number. 10

To (Office) Ootacamund

From (Office) Munaar

Words.	Day.	Hour.	Minute.	Official Instructions.
13.3	30	16	24	S8D

To (Person) Madras

CHIEF SECRETARY
1 MAY 1898
GOVERNMENT OF MADRAS

From (Person) Resident

CA

your 207 expecting daily
have telegraphed dewan again

Shoranur Cochin Ry

32 Word Form.

F. Cl.

Recd. from LN. Sent to LN.

At Hrs. Mts. by At Hrs. Mts. by

OOTACAMUND 1-5-98

Telegraph Master.

G S P—No 2?? T—13 10 96—8000000

Poll.
7
500—11-6-97.

Political (1898) Department.

CURRENT No. 649

E

(C) Desp^d 7/5/98

Telegram
~~Order~~

To

Resident in Travancore & Cochin
Munnar, Madura Dt.

N° 224 My telegram 207 and yours thirtieth ultimo. India telegraphs expedite report regarding Shoranur-Cochin Railway. ~~Submit immediate~~ Reply ~~to~~ Sharpe my D.O. 24th February last.

G K B

CWS.
7.5.98

Telegram
From
The Government of India,
Foreign Dept.

No. 1218 I.B.

Dated 5
Received 7 } May 1898.
Registered
Enclosures
Spare copies

SUBJECT.

Requesting to expedite report re Shoranur-Cochin railway

To.
P.W.D. (Ry) for perusal & return

CWS

AH
7.5.98

So far as I can see the only report that the Govt. of India in the Foreign Dept. can expect from this file in the Pol. Dept. is on the subject of the Cochin Rajah's financial position. The P.W. Dept can say nothing one way or the other on this subject.

All I know about the Shoranur–Cochin railway is that the S.I.R. Co. are surveying it. and that I have strictly instructed them to try and design a 40 or 50 lakhs line, so that it may come as nearly as may be within H.H. the Rajah's means.

I hear from Mr. Rees that he is still in correspondence with the Travancore and Cochin Durbars about the terms on which the former shall make over a strip of railway land to the other.

As regards the Tinnevelly Quilon Ry. I expect detailed proposals in a few days and will communicate with Pol Dept as soon as they come in. But I do not conceive of this matter as coming within the scope of a reply to the telegram in the Current.

F.K.S.

R. 9/5/98

A.L. 9.5.98

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

To await report from the Resident

Cml

Current No. 649

Quote

INDIAN TELEGRAPHS. Monthly Number. 491

Code Class. D.S.

To Ootacamund.

From (Office) Simla Cla

Words.	Day.	Hour.	Minute.	Official Instructions.
19/10	5.	18	18	Ufd

To (Person) Madras

From (Person) Foreign

CHIEF SECRETARY
-7 MAY 1898
GOVERNMENT OF MADRAS

F.S.

1218 I. B. Your telegram 75 february 21st Shoranur cochin railway please expedite report.

I. w. 813 Pol 21-2-98

32 Word Form.

F. Cl.

Recd from | LN. | Sent to | LN.

At | Hrs. | Mts. by

OOTACAMUND 6-5-98

Telegraph Master.

Poll.
7
500—11-6-97.

Political (1898) Department.

CURRENT No. 653

V.E

Order

Telegram.

From

The Resident in
Travancore & Cochin.

No.

Dated 8 } -5-98.
Received } 9 }
Registered
Enclosures
Spare copies

SUBJECT.

Re. Shoranore-Cochin Ry.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Qmr Current No. 653

INDIAN TELEGRAPHS. Monthly Number. 753

Code Class. sf SS

To (Office)	ootacamund	From (Office)	Kanaar

Words.	Day.	Hour.	Minute.	Official Instructions.
25/3	8	17	55	sfd

To (Person)	madras	From (Person)	president

CHIEF SECRETARY
9 MAY 1898
GOVERNMENT OF MADRAS

your 224 dalay entirely awith cochin dewan who delays report waiting previous settlement every detail have telegraphed urgently several times

32 Word

F. Cl.

To P.W.D. Rys. for perusal & return

Alt 9.5.98 7 L.S. JM 9/5/98 86

Recd. from LN. At Hrs. Mts. by

Sent to LN. At Hrs. Mts. by

UTACAMUND 9-5-98

Telegraph Master.

To await further

Amb
9 5 98

[Poll. / 7]
500—11-6-97.

Political (1898) Department.

CURRENT No. 663.

From Resdt. in T & C

~~Order~~ Endt

Transferred to the Public Works Deptt.

(Intld) A.T.A

Camp No. a/19

Dated 7. 5. 98

Received 11. 5. 98

Registered

Enclosures

Spare copies

SUBJECT.

Re Travancore Railway

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

[G./9]
1,000—19-2-97.

Very Urgent

Pol (1898) Department.

D. O No. 332

To.

P. W.D. (Railway)

For perusal and return

~~D. O.~~ Cmd. / 12. 5. 98   AA/12. 5. 98.

Seen and returned

T.V.S.
13/5/98

From

T. D. Rees Esq. C.I.E.

No.

Dated 9th May 1898.

Received 12 " "

Registered "

Enclosures 2.

Spare copies

SUBJECT.

Re Shoranur Cochin Railway

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Camp.

THE RESIDENCY TRAVANCORE & COCHIN
9 May 98

Ackd 12.5.98

V 1 E

D.O. No. 332

5

My dear Arundel

I have telegraphed yesterday to say the Dewan of Cochin delays to send in his proposals. I arranged a meeting with him early in April & it was agreed that without waiting for settlement of details as regards terms on which Travancore would grant the land required for the Railway, the main proposals, on which all were of one mind, should at once be sent in.

Subsequently I have of course been engaged in arranging these details. Among other conditions Travancore wants assessment paid on the land. This was under correspondence, but it had not been intimated that Cochin looked on the point as crucial & I was daily expecting the promised report, when Dewan telegraphed on 6th that all terms concerning the land were accepted except payment of assessment, & that if Travancore insisted on this, Cochin would only make the line to Karapatna, or the head of the backwater (in hot weather when water is low)

I daresay Travancore will yield on the point or that an agreement can be arrived at by some compromise. It was never expected that all the details could be immediately settled, & in my opinion it is absurd to delay the main proposals, as to gauge, capital & so on for an exact & detailed arrangement in regard to the land.

Travancore does not want any benefits from a Cochin Railway & really would — I think — rather not have any Cochin line over its land, but Cochin can't get through to Ernakulam without, & the Karupatna scheme, 30 miles of rail, when the state is 60 miles (more or less) long, is a very poor substitute for the other.

I enclose copies of telegrams sent yesterday, & I hope to arrange matters satisfactorily. There is a good deal of jealousy in this matter, & as disputes are going forward about temple lands in respect of which sovereignty is in one state, ownership or management in the other, & an opportunity of paying back, when it occurs is taken.

His Highness too was very strong about payment for land, as His Excellency knows, for H.H. insisted on it. That was if a company made the line as was then intended, & now, cost of land is to be capital cost, under present proposals. Yet directly Travancore which was yielding as regards payment for improvements only as regards Sirkar Jenm lands — says it must keep its assessment, more as a sign of retention of sovereignty than anything else, Cochin — very unreasonably — delays its main proposals, & actually threatens the Karupatna

Scheme, rather than pay assessment, which cannot be a heavy figure for a narrow strip of land - not all private - running for 4 or 5 miles - more or less.

I shall be surprised if this cannot all be arranged; as any difficulties have been in regard to the Travancore terms, but the delay is unfortunate.

It does seem however that proposals for a State Ry. not affecting other Govt. or Branch Lines, financed by the State, might be sent up & dealt with after the Conference?

I hope so. Meanwhile Government will see exactly how matters stand. I am on my way to Cochin, but weather & want of transport & condition of communications makes it a long march from N. Travancore to Cochin, which is almost in sight, for want of the West Coast Road, which every one wants made & Durbar approves, but over which the Chief Engineer delays. Yours sincerely J.D. Rees

---

Encl I

5A

S.D

To Ernakulam
Dewan of Cochin
From Munnar
Resident in Cochin

Surely proposals can be made without waiting settlement this detail. If necessary, proposals might be conditional on land being free from assessment. Am communicating with Travancore but deprecate delaying proposals for result. Madras telegraphs again today repeating telegram from Government India, both urging immediate report, not understanding delay.

(Sigd) J.D. Rees
Resident
8/V/98

S.D

To Ootacamund
Madras
From Munnar.
Resident

Your 224 delay entirely

with Cochin Dewan who delays
report awaiting previous
settlement every detail.
Have telegraphed urgently
several times.

(Sd) J D Rees
Resident
8/V/98

JDR
8/V/98

Desp^d. 8/V/98

Cochin Railway

Rec one to D°. No 332 of 98

THE RESIDENCY TRAVANCORE & COCHIN

Encl II

5 B

To
Trevandrum
Dewan of Travancore
From
Moonar
Resident in Travancore

State deferred

Cochin Railway proposals cannot be made Durbar objecting pay assessment lands holding opinion that benefit Travancore territory sufficient set off. Would prefer make Railway to Karupadnea only rather than pay assessment. Meanwhile Government presses for proposals for Simla Conference. Please telegraph whether Durbar considers payment assessment absolutely necessary Cochin agrees other terms.

5 P'

(Sd) J D Rees
Resident
8/V/98

24

Inc. lino to D.O. No. 332 of 98

Telegram No. 238 of 11-5-98
to the Resident in Travancore
& Cochin.

Send immediately copy
of Diwans letter quoted and
referred to your A nineteen
Seventh. Travancore Railway
(Intd) A.T.A.

[G./9]
1,000—19-2-97.

Poll (1898) **Department.**

To await further

Cmd
19.5.98

D. O No. 343

Note
Please see within ?

VSm
16/5/98

What, the minutes ?
I meant the notes by CS
and the Jt Secy P.W.D.

D. O.

From

T. D. Rees Esqre. C.I.E.

No.

Dated 10th May 1898.
Received 16th " "
Registered " "
Enclosures
Spare copies

SUBJECT.

Re railways in Travancore and Cochin.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

To Mr. Spring for perusal & return.

ASA
16.5.98

Seen & returned
FJS
16/5/98

THE RESIDENCY
TRAVANCORE

10/V/98

D.O. No. 343.

(6)

My dear Arundel,

To continue mine of yesterday Dewan of Travancore says telegraphs that Durbar considers payment of assessment essential.

Now free grant of land for railways is the Govt. of India principle, & it expects native States to follow suit. But Cochin repudiating this principle, for itself, would have it applied for Travancore.

Dewan of Cochin reports himself too sick to attend to any business, & telegraphs by deputy to say he will report when he recovers. I have telegraphed to ask that assessment may be roughly calculated. I do not think it can be much on a narrow strip for 4 or 5 miles, or perhaps a little more.

I go to Cochin as fast as I can get there but, please consider the address as officially given as standing till cancelled.

All this is really jealousy between the States

But it cuts both ways for Travancore now is scheming anxious to get its line going before Cochin's. Hence in no small measure its assent to all terms.

All may yet be, & I hope will be, well with both. My best endeavours will not be wanting.

Yours sincerely

J. D. Rees.

[Poll. 7]
500—11-6-97.

Political (1898) Department.

~~Endt~~

CURRENT No. 680

From Resident in Travancore & Cochin

~~Order~~ Endt No. 1132 of 16.5.98.

Transferred to the Public Works Dept (Ry Branch) with ref to the Joint Secy's note of the 11th instant.
(Sd) A.T. Arundel
Chief Secretary.

Ref on Camp No. B.1

Dated 12.5.98

Received 16.5.98

Registered 16.5.98

Enclosures 3.

Spare copies

SUBJECT.

Forwarding Diwan's letters on Travancore Railway called for in telegram No. 238 dated the 11th instant

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Poll.
7
500—11-6-97.

Political (1898) Department.

CURRENT No. 690

From Resident in T & C.

~~**Order**~~ Endt No. 1162 d/ 18.5.98

Transferred to the Public Works Department, Rail-way Branch in Contn. of Endt No. 1132 P.W. d/16.5.98
(Sd) A.T. Arundel
Chief Secretary.

No.

Dated 14.5.98

Received 18.5.98

Registered

Enclosures

Spare copies

SUBJECT.

Re Tinnevelly-Travancor
Railway.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

[G. / 9]
500-11-6-97.

V. E

Political (1898) Department.

D. O. No. 356

To
P.W.D. (Railway)
For perusal & return

Cmd 18/5/98 AA 19.5.98

From
J. D. Rees Esqre. C.I.E.

D. O.

Seen and returned. I have written to tell Mr Rees that we can probably get through the strip of Travancore territory on a strip of land 200 ft wide, which comes to less than 25 acres per mile. I do not know what the assessment would be per acre. Apparently 200 acres ought to see the line through.

F.Ks.
19/5/98

No.

Dated 15th May 1898.
Received 18th
Registered
Enclosures
Spare copies

SUBJECT.
Re Cochin Railway

Recd 20/5/98

CS

To await further papers from Resdt.

Cmd 20.5.98 AA 20.5.98

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

D.O. No. 356

Cochin Railway.

(7)

THE RESIDENCY TRAVANCORE

CHIEF SECRETARIAT
18 MAY. 1898
GOVERNMENT OF MADRAS

Devikulam
Madura Dt
May 1898.

My dear Arundel,

The Dewan of Travancore telegraphs that he thinks that the total assessment on Travancore land taken up for Cochin line would come to about Rs 100; and the Comptroller of Accounts, Cochin, on behalf of Dewan, telegraphs that the probable assessment would be 28 rupees a mile for ~~Trevandrum~~ Travancore Land. All this only makes the action of Cochin Dewan, more astonishing in making so much of so small a charge, if it is really so small as this.

A telegram reaches me to say that a detailed report is coming from Cochin. Upon receipt of it I shall not fail to communicate by first post with Government.

D.O. No. 356

Meanwhile I have of course written to the Durbar, and am endeavouring to arrange matters.

I have not failed to let the Cochin Durbar know that Travancore has accepted all conditions, and that there is every probability of the Railway being started there at an early date.

Yours sincerely.

JDRees

To/ Hon^ble

A. T. Arundel

Chief Secretary to Government of Fort St. George.

[Poll. / 7]
500—11-6-97.

Political (189) Department.

9 / Telegram to Resdt.
cms
10/6/98

CURRENT No. 792

Telegram

From

The Govt. of India,
Foreign Deptt.

No. 1612 I.B.

Order

Dated 9th }
Received } 10th } June 1898.
Registered }
Enclosures
Spare copies

SUBJECT.

Re Shoranur Cochin Ry.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Current No 792

Quok

Code Class. DS **INDIAN TELEGRAPHS.** Monthly Number. 749

To (Office) Ootacamund	From (Office) Simla

Words.	Day.	Hour.	Minute.	Official Instructions.
23/8	9	18	57	Deft

To (Person) Madras

From (Person) Foreign

CHIEF SECRETARY
10 JUN. 1898
GOVERNMENT OF MADRAS

M

1612 I b my telegram 1218 I. B. May fifth Shoranur Cochin Railway when may report be expected

CA

NA 10.6.98

Recd. from LN. At Hrs. Mts. by Sent to LN.

OOTACAMUND 10-6-98

J Mason
Telegraph Master.

F. CL.

C G P—No. 295 T—12 10 96—6000000.

Quote

Political Department

Refce on C No. 792.

(D) Desp'd 11/6/98

Telegram to the Resident in Travancore and Cochin.

No. ~~1~~308 India asks when report on Shoranur Cochin Railway may be expected. ~~since reply~~.

R.N.T. 10/6/98 C.W.S. 11.6.98 A.G. 11.6.98.

To the Resident in
Travancore and Cochin.

[Poll. / 7]
1,000—25-11-96.

Political (1898) Department.

CURRENT No. 807

Note. May this await a further communication or should a telegram be sent to India? The Resident does not fix a definite date.

RNS
13/6/98

~~Order~~

C.S.

Submitted that India may be informed as follows:—

Telegram to Foreign (D)
Despd 14/6/98
Simla

2/2 From 1612 D6. Resident ~~[illegible]~~ Travancore wires that he ~~ports~~ forwarded report thirteenth

14/6/98.

The file might then, it is submitted, go to P.W.D. (Ry) for perusal & return

CMS
14-6-98

14/6/98.

Z. Pol. Dept.

Please see my Note, on Current 649. flagged Z.
I repeat what I said then that I think there is

Telegram

From
The Resident in Travancore & Cochin.

Quote No.

Dated 12
Received 13 } June 1898.
Registered
Enclosures
Spare copies

SUBJECT.

Re: Shoranur-Cochin Ry.

some oversight or misunderstanding in the way this is being dealt with.

India in the Foreign Dept enquired, in their telegram dated 1st Dec. 97. Current 1445 (with G.O. 132 dated 21-2-98) as to "the present financial condition of Cochin with an opinion on the Rajah's proposals to borrow". They also enquire "has Travancore* funds to invest in this railway" (the Shoranur Cochin)

The Pol Dept seem to me to be going astray in proposing to reply to India by communicating to them Mr. Rees' recent announcement that he has at last succeeded in removing the difficulties which had cropped up between the Cochin and Travancore Durbars about the provision by the latter of land for the former's railway. This matter on which Mr Rees is now about to report is a minor matter of detail and is not the thing on which India asks for a report.

It seems to me that the right thing to tell India in the Foreign Dept is that when definite proposals go forward from this Govts' Railway Dept. a report on the points raised will be sent simultaneously by the Pol. Dept.

The Railway Dept cannot yet report anything definite. We are trying to ascertain by resurvey the cost of a cheap metre gauge line, and the Survey party has only got as far as Trichur.

F.R.S.
15/6/98
R.

* There is no proposal to this effect.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Current No 807

Quick

INDIAN TELEGRAPHS Monthly Number. 950.

Code Class. DS

To (Office) Ootacamund

From (Office) Trivandrum

Words. 31/3 Day. 12 Hour. 18 Minute. 52 Official Instructions. Defo.

To (Person) madras

From (Person) Resident.

CHIEF SECRETARY
13 JUN. 1898
GOVERNMENT OF MADRAS

N

your 305 satisfactory arrangement
land concluded approved unofficially
by cochin Travancore official
assent received yesterday will
forward proposals tomorrow sending
cochin official assent afterwards
when received.

12-6-98 Telegraph Master.

Recd. from LN. Hrs. Mts. by

Sent to OOTACAMUND LN. At Hrs. Mts. by

32 Word Form

—No 431 T—27 4 96—4000000

Keep file intact

Qu N

desp'd 15/6/98

Political Dept

Telegram

to Resdt in Travancore.

No. 3147 India wants report referred to in telegram 4376 I. B dated 1st December ~~1897~~ last as to financial condition of Cochin and Raja's proposals to borrow. Understood matter treated of in your report referred to in your telegram twelfth. If not there fully treated report on point without delay.

(Gov in Cl orders)

CmS
15/6/98

A

[Poll. / 7]
1,000—25-11-96.

Political (1898) Department.

CURRENT No. 822

Order

Telegram

From

The Resident in
Travancore & Cochin

No.

Dated
Received } 16th June 1898.
Registered
Enclosures
Spare copies

SUBJECT.

Intimating that the report re the financial condition of Cochin and Raja's proposals to borrow in connection with the Shoranur Cochin railway has been despatched on the 13th instant

8

BACK PAPERS.

G.O.	No.	Department.	Date.
5			

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Quok

Current No. 822

Code Class. S. PM

INDIAN TELEGRAPHS.

Monthly Number. 1218

To (Office) Ootacamund	From (Office) Trevandrum

Words.	Day.	Hour.	Minute.	Official Instructions.
12/13	16	12	52	

To (Person) Madras	From (Person) Resident

F

CHIEF SECRETARY GOVERNMENT OF MADRAS 16 JUN 1898

Your 314 my letter posted thirteenth answers question

32 Word Form.

F. C. I.

Recd. from	I.N.	Sent to	I.N.	J Mason for Telegraph Master.
At Hrs Min. by		At H M		

OOTACAMUND 16 6 98

[Poll./7]
1,000—25-11-96.

Political (1898) Department.

Note

The letters referred to have not yet been received

16/6/98

CURRENT No. 821

C. Nos 821 & 822

Note for the CS

These two currents may, it is submitted, be forwarded

Order to P. W. D. Ry for perusal and the Resdt's letter of the 12th awaited.

CWS
16/6/98

17/6/98

Do P.W.D. Ry no

See & return

7Ks
17/6/98

Recd 18/6/98

Telegram

From

The Resident in Travancore & Cochin.

No.

Dated
Received } 16th June 1898
Registered

Enclosures

Spare copies

SUBJECT.

Re. Shoranore-Cochin Ry.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Political (1898) Department.

CURRENT No. 833

CHIEF SECRETARY
17 JUN. 1898
GOVERNMENT OF MADRAS

Order

From the British Resident in Cochin

Ref or C No. 1852

Dated 12th June 1898

Received 17th do

Registered 18th

Enclosures 5

Spare copies

SUBJECT.

Forwarding formal proposals of the Cochin Durbar regarding the Shoranoor – Cochin Railway.

BACK PAPERS.

G.O.	No.	Department	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Political (189) Department.

Ref. ~~CURRENT~~ No. 862

CHIEF SECRE
22 JUN. 1898
GOVERNMENT OF MADR

From the British Resident in Cochin

Ref. ~~in~~ C No. 1852

Dated 12th June 1898.
Received
Registered } 22 — do —
Enclosures
Spare copies

SUBJECT.

Forwarding Cochin Dewan's letter agreeing to the proposals of the Travancore Govt.

C.S.

For Orders

Submitted that this letter may be read in the ~~order~~ passed on Monday & sent to ~~[illegible]~~ re the ~~Cochin~~ Shoranur-Cochin Railway Line.

CWB
22.6.98

Very well.

H.
22/6/98.

H.C.
O

Send this dem in continuation and close it by the G.O of 20th.

N.B. The ~~copy~~ Dewan's printed letter (copies called from Resident) should be ~~added to~~ stitched with the G.O. when ready

CWB
22.6.98

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

(B) Despd 20/6/98

Telegram to Resdt in Travancore

333 x Jun 1852 [illegible]. Send sharp
40 spare copies Cochin Dewan's
letter 5th June 1898 Travancore
Cochin Railway and all the enclosures
forwarded with demi officia
24th February.

CWS
~~18~~ 20.6.98
B

Note The Second of the papers read
in the draft order was forwarde
with the D.O. of the 24th Feby & it
was not returned by the Resdt
hence the addition to the ~~R~~ Telegr

But you can get a copy from
Ry Dept. Send ~~[illegible]~~ on ~~[illegible]~~
order to Press without delay

CWS
20/6/98

N.B.—KEEP FILE INTACT.

(3)

S / Done 23/2/98

Stitch back the enclosures to the present D.O. in their proper place

G.O. 132 of 21.2.98

Curl

(+) Note: A very bad piece of typing too. N.C. will warn the Examiner to turn out better work

Curb.

B in G.O. 132/21-2-98

Note +

Sent in original to Resident

Curl

F

Note for the Chief Secretary

For facility of perusal Mr Rees's D.O. of the 15th instant has been typed (+) and two copies are put up.

Paragraphs 1 to 3 and 7 and 8 relate to the Shoranore-Cochin Railway and form a partial reply to D.O. dated 24th February 1898. Mr Rees promises an official communication after addressing the Travancore Darbar and obtaining a reply from it.

Paragraphs 4 to 6 of the D.O. refer to the subject of the Tinnevelly-Quilon Railway dealt with in G.O. No. 278+ P.W. d/ 18th Feby 1898, communicated with G.O. No. 131 Pol, dated 21st February '98.

No immediate action on this D.O. is, it is subd, required, except sending a copy thereof to Mr Spring in accordance with the wish expressed by Mr Rees in the concluding sentence of para 6. The following draft is accordingly subd.

~~D.O.~~ 23d March 1898.

My dear ~~Mr~~ Spring.

With reference to ~~the~~ my Note ~~for the Public Works Dept. Railway Branch~~, No 524, Pol dated 24-2-98, I enclose ~~for such action as is necessary~~, a copy of a ~~Mr Rees's D.O. of the 15th instant~~ received from Rees regarding the Shoranore-Cochin and Tinnevelly-Quilon Railways projects.

Yours sincerely.

Cwb.
23.3.98

MA
23.3.98

Fair 164 23/3/98

23.3 6

H in Go 132 Pol 3 u-2-98

F. J. E. Spring Esq C.I.E. L.C.E. M.Inst. C.E., M.I.M.E.
Joint Secy to Govt, PWD
Railway Branch.

Copied 22/3/98

Desp'd 23/3/98

Form No. 6.

Public Works Department,
Railway Branch.

8

OFFICE NOTE No.

Dated 189 .

From

THE JOINT SECRETARY TO GOVERNMENT, P. W. D. (RAILWAY BRANCH),

To

THE Chief Secretary. (Pol. Dept)

Having gone into this matter personally with the Chief Secretary I note as follows.

A reply is now due by the Pol. Dept. to India Foreign Dept, telegram dated 1st Dec. 97.

That telegram was to the following effect.

" Our P.W. Dept. have got a telegram from the Madras Govts. Railway
" Secretary in which, in connection with a large question of
" policy, for making metre gauge extensions and branches
" to the Madras Ry. reference was incidentally made to
" the probability of an early offer being forthcoming from
" the Cochin Rajah to invest his accumulated capital,
" supposed to be 40 or 50 lakhs, in making the Shoranur
" Cochin Railway. We therefore want information from you
" on the following two points. (1st) Can Cochin afford
" the investment? what is its financial position? and
" (2nd.) How about Travancore? can it afford to join
" Cochin in this scheme considering its recently undertaken
" liability in connection with the Tinnevelly Quilon

The reply to the 2nd qu

as India

29

plans. It is that at present there is no question, nor is there likely to be any question, of Travancore desiring, or being asked, to invest any money whatever in the Cochin Ry.

The reply to the 1st question must be obtained from Mr Rees, who should be asked to report on the financial position of Cochin in connection with the Rajah's suggested investment of 40 lakhs, more or less, in a railway from Shoranur to his capital.

When Mr Rees' reply to this second question is received an answer can be sent to India's telegram.

Meanwhile India has no concern at all with any details of the character of those now under settlement by Mr Rees with the two Durbars about the terms on which one Durbar is to be granted the use of land in the other's territory.

Neither has India in either the P.W. or F. Depts any concern at present with the details of the Cochin Rajah's scheme, until such time as the Railway Dept of this Govt. is in a position to put forward a definite scheme for the Shoranur Cochin Railway, which will probably not be for months to come.

F.V.S.
15/6/98

[illegible]

By C.S.
India wants report referred to in telegram ~~Understand~~

as to financial condition of Cochin & Rajah's proposals to borrow. Understand matter treated of in your reports referred to in tel. telegram 12th. If not then fully treated report on point without delay —

G. 78
50-28-5-98.

9

Political DEPARTMENT.

C. No. 833

NOTE FOR THE Chief Secretary

The current is the Resident's report regarding the proposed Shoranur Cochin Railway line. The Resdt. has quoted former correspondence (merely giving ~~dates~~ years and not ~~[illegible]~~ numbers and dates of letters & proceedings) but the papers have not been called up to save time with reference to the proposals made below.

The pressing urgency of this scheme has ceased apparently now & the whole scheme has altered. The Cochin Darbar does not wish to borrow more than 25 lakhs and the Travancore Darbar is to have no interest in the line being concerned only with the question of the land ~~[illegible]~~ required in that State. The Cochin Dewan has set out the financial facts. These require close examination. The Railway Dept will also desire to consider the scheme ~~[illegible]~~ itself. Meanwhile as India

30

- or more probably the Foreign office Clerks - ~~are~~ is wasting money on reminder telegrams on its telegram of the 1st December 1897 ~~they~~ we will be given some breathing time if an ~~ad~~ interim reply goes to India.

Whilst Railway Dept. is considering its portion of the scheme, the financial position can be examined here - and the question of Cochin paying Travancore an annual subsidy & acquiring land in that State for a railway be treated from a political point of view. To admit of these steps being taken concurrently it is proposed to print the papers (they will be marked 'to Press') & the following Draft ~~will be~~ is submitted for approval.

Cmd.
20.6.98

Communicated by Mr. Spring.

P.A.
Ref.
See to the arrangement of papers for printing. Keep file intact. Submit the draft what is being sent to Press
Cml
20/6/98

---

will be sent down in a day or two. Some space [illegible]
Pd
20/6/98

Political Dept.

Read again G.O. No. 694.R. d. 20. Sept. 1897 (P).
" " Telegram No 35-6 P.W.D. (Ry) d. 8 Novr 1897 (A)
" Telegram from Govt. I. Foreign Dept. No. 4376.I.B. d. 1.12.97 (A)
" Note by the Consulting Engineer for Railways d. 2.12.97. ~~d. 16. 12. 97~~ on the Shoranore Cochin Railway. (Q)
— Note by do. d. 9. 12. 97 ———— (A).
— .... d. 15. 12. 97 ———— (Q)
— " " d. 18. 2. 98 ———— (A)
G.O. No. 132 Pol. d. 21. 2. 98 .... (A)
C. No. 596. Telegram to Resdt. in Travancore. No. 207. d. 28. 4. 98
— 622 Telegram from " " " d. 30. 4. 98.
... 649 " " Govt. I Foreign Dept. 1218. I. B. d. 5. 5. 98
— 653. " " Resdt. in T & C. d. 8. 6. 98.
— 792 " from Govt. I Foreign Dept. No 1612. I.B. d. 7. 6. 98
" to Resdt. in T & C. No. 308 d. 11. 6 98.
807 " from do. d. 12. 6. 98.
" to Govt. I. Foreign Dept. 312 d. 12. 6. 98.
" to Resdt. in T & C. No. 314 d. 15. 6. 98.
822 " from " " " d. 16. 6 98.
all

Do. 332
(B) 343
356.

C. No. 820 } (A)
C. No. 821. }

268

Enclosure V not to be printed. Resdt. is being asked for S.C.
Cml

Not need [illegible] [illegible] be received. Please forward a copy for the [illegible]
Cb

P.W.D. (Ry) for Cn.

Order. No. 411, d. 20th June 1898.
O.S.
Communicated to the Public Works Dept. (Railway)
(D) Despd 20/6/98
2. The following telegram will be despatched to
Govt. of I. Foreign (Dept.)
Simla

PTO

328 ~~x~~ In continuation my telegram
312 fifteenth instant and in reply yours
4376 G. B 1st December 1897–
Revised proposals Cochin Shoranur
line now received from Darbar contemplate
~~Cochin owning~~ ~~ownership Cochin entire~~ Cochin owning the entire line.
~~line~~ Travancore has agreed to give ~~giving~~ land required in
~~that~~ its state on payment by Cochin of nominal annual
sum payment. Cochin proposes invest 25 out of ~~portion~~
its 47 lakhs surplus~~es~~ in scheme and to borrow remainder estimated at
25 lakhs. Railway Dept think this probably sufficient for metre gauge line. Scheme ~~under examination~~
will be examined Railway and Political
depts here and ~~[illegible]~~ complete report
forwarded Govt. India due course.

Curd.
20.6.98

PWD (Ry.)
Result in T & C.

despd 29.6.98
Revised Confidential 20/7/98
Confidential

F.K.S.
R
20/6/98

done

Office Send me 1 C of this order.

B.C. to examine financial proposals in Cochin Dewan's letter d/ 5.6.98 and to submit a note thereon urgently

R/o
Please see & return
to me for the [illegible]
to [illegible]
for [illegible]
with [illegible] / suffice?
28/6

First copy sent to Press. 22/6

Returned for signature.

Despatched in print.

47

NUMBER OF COPIES REQUIRED.
Order complete. 80
Letter only.
Order complete with Letter.

READ AGAIN G.O., No. DATED
189 .

ENT No.

ENCLOSURES TO C. No.

ORS OF GOVERNMENT .. .. ..

TER OF GOVERNMENT.

ENT WITH DITTO.

NOT FILED UP, BEING MEANT FOR DESPATCH
IN ORIGINAL.

N.B.—
A = Print in full.
B = Not to be printed.
P = Print abstract only.
Q = Print heading only.