

Public Works (1897) Department.

RAILWAY BRANCH.

G.O., No. 419-20 R.

DATED 28th June 1907

[Despatch Abstract.]

Railway between Vizianagram and Rinnipatam.

Ordered that the letters from the Chairman of the Chamber of Commerce and from the Collector of Vizianagram on the subject of the construction of a 2' 6" gauge line of —, be forwarded to the Government of India.

Railway between Vizianagram and Rinnipatam.

Furnishing the Govt of India with the views of this Government on the subject of the construction of a 2' 6" gauge line of —.

RAILWAY.

Government {1897} of Madras.
PUBLIC WORKS.

Recd.

Regd.

} 1897.

Enclosures

Spare copies

G.O., No. 419 R., 28th June 1897.

JUNE.

Railway between Vizianagram and Bimlipatam

Ordered that the letters from the Chairman of the Chamber of Commerce and from the Collector of Vizagapatam on the subject of the construction of a 2' 6" gauge line of —, be forwarded to the Government of India.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read the following papers:—

From the Secretary to the Government of India, Public Works Department, to the Officiating Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, dated Calcutta, 25th January 1897, No. 151 R.C.

In continuation of Government of India Memorandum No. 829 R.C., dated 10th June 1896, I am directed to forward for information a copy of a despatch from the Secretary of State for India enclosing a copy of the correspondence with Sir Bradford Leslie and Mr. H. G. Turner on the subject of their proposals for the construction of light railways to connect Vizianagram with Parvatipur on the one hand and with Bimlipatam on the other.

2. It will be observed from the correspondence that the concession to these gentlemen for the Vizianagram-Parvatipur line is held to have lapsed, while they have accepted that for a 2' 6" gauge railway from Vizianagram to Bimlipatam without any assistance from the State except the free grant of land and subject to such terms and conditions in respect of the purchase of the line by Government and other matters as may be arranged by agreement.

3. The Government of India will be glad to be informed at an early date whether the Government of Madras consider that the line to Bimlipatam should be made as a railway under the Railway Act (IX of 1890), or as a tramway under the Tramway Act (XI of 1886) and whether they have any remarks to offer on paragraph 3 of the Secretary of State's Despatch.

ENCLOSURES.

Despatch from the Right Honourable the Secretary of State for India, to His Excellency the Right Honourable the Governor-General of India in Council, dated India Office, London, 10th December 1896, No. 105, Railway.

With reference to your letter No. 41, Railway, dated 19th May 1896, and to my telegram of 4th August, relative to Projects for railways to connect Vizianagram with Parvatipur on the one hand and with Bimlipatam on the other, I forward herewith a copy of correspondence with the promoters, Sir Bradford Leslie, K.C.I.E., and Mr. H. G. Turner.

* Letters to Sir B. Leslie, &c., 15th and 16th July 1896.
Letters from ditto, 20th November 1896 (two).
Letter to ditto, 8th December 1896.

2. Your Excellency will see that the promoters are unable, for the present at least, to undertake the raising of funds for the Parvatipur line except on the basis of a sterling guarantee, and that I have caused them to be informed that, under these circumstances, the concession offered to them must be considered to have lapsed.

3. The concession of the line to Bimlipatam has been accepted, and I have now to request that your Excellency will inform me, as early as possible, of any special terms and conditions which you would wish to be embodied in the agreement, whether to be entered into in India or in England, with the promoters.

No. 1.

INDIA OFFICE,
15th July 1896.P.W. 990.
GENTLEMEN,

I am directed by the Secretary of State for India to acquaint you that the Government of India have requested that the following proposal may be made to you in lieu of the provisional concession offered in my letter of the 27th June 1895.

The Government of India propose that you should construct the line from Vizianagram to Parvatipur, with a branch to Salur, on the standard gauge, in which case the terms for the construction by private agency of branch lines, notified under Resolution No. 514 R.C., dated 17th April 1896, a copy of which is enclosed, would be conceded in full, the working expenses being fixed at 50 per cent. of the gross earnings, and the rebate being promised from the Government line and also from the section which it is proposed to hand over to the Bengal-Nagpur Railway Company with the consent of that Company.

Should you, however, still wish to adhere to the 2½ feet gauge, the Government of India are of opinion that the masonry for the bridges should be built for a standard-gauge line, and the alignment and grading which has been surveyed for a standard gauge line should be adopted.

With regard to the working terms in the latter case, the Government state that the East Coast Railway might work the line for 60 per cent. of the gross earnings, provided you undertake fully to stock the line with the necessary rolling-stock and keep it in repair, and agree to supply all money required for additional capital work.

The Government stipulate for the right, at any time after five years from the line being opened for traffic, to take it over at six months' notice for the purpose of converting it to broad gauge on paying 25 times the average actual return to the shareholders for the three years immediately preceding the notice, such purchase money not to be less than par and not to exceed 120 per cent. of the capital expended on the construction of the branch.

The Government of India would prefer that the branch should be constructed by Government officers at the cost to the Company, and in any case full control of the construction and audit would be reserved.

I am, &c.,

(Signed) HORACE WALPOLE.

Sir Bradford Leslie, K.C.I.E.
H. G. Turner, Esq.

No. 2.

INDIA OFFICE,
16th July 1896.P.W. 990.
GENTLEMEN,

The Secretary of State for India has had under his consideration in Council that part of your letter of 20th August 1895 which refers to the proposal to connect Bimlipatam with the East Coast Railway at Vizianagram by the construction of a light railway on the 2' 6" gauge.

You urge "the claims of the Bimlipatam public to the comforts and conveniences of a branch line," and you allege that it would be unjust to refuse to allow this connection to be made.

Your arguments have been duly weighed by the Secretary of State in Council and His Lordship, while holding that there is more to be said on the other side of the question than would appear from your letter, is of opinion that the wishes and interests of the people of Bimlipatam deserve consideration at his hands.

You state that if the concession for this 16 miles of line is granted, and the land is given to you, you will endeavour with local aid alone to raise the capital for the Bimlipatam extension. On the understanding that no aid of any kind is to be given by the Government beyond providing the land free of cost, the Secretary of State is prepared to give you the concession you ask for a line to connect Bimlipatam with the East Coast Railway at Vizianagram; the line to be on the 2' 6" gauge.

No. 419 R., 28TH JUNE 1897.

This concession is offered to you subject to such terms and conditions in respect of the purchase of the line by the State, and its working by the main line and other matters, as may be arranged by agreement between you and the Secretary of State.

Sir Bradford Leslie, K.C.I.E.
H. G. Turner, Esq.

I am, &c.,

(Signed) HORACE WALPOLE.

No. 3.

WINCHESTER HOUSE,
OLD BROAD STREET, LONDON, E.C.

20th November 1896.

SIR,

We have the honour to acknowledge the receipt of your P.W. 990, of the 15th July 1896, referring to our proposals to undertake the construction of a railway from Vizianagram to Bimlipatam.

In reply, we beg to state that we accept the concession offered to us by the Secretary of State to connect Bimlipatam with the East Coast Railway at Vizianagram by a railway on the 2½ feet gauge, the land for the same being provided by the Secretary of State free of cost. The concession to be subject to such terms and conditions in respect of the purchase of the line by the State, and other matters as may be arranged by agreement between the Secretary of State and ourselves.

We have, &c.,

(Signed) BRADFORD LESLIE.
(") H. G. TURNER.

The Under Secretary of State for India.

No. 4.

WINCHESTER HOUSE,
OLD BROAD STREET, LONDON, E.C.

20th November 1896.

SIR,

We have the honour to acknowledge the receipt of your P.W. No. 990 of the 15th July 1896, intimating that the Government of India propose that we should construct the line from Vizianagram to Parvatipur, with a branch to Salur, on the standard gauge, in which case the terms for the construction of branch lines notified under Resolution No. 514 R.C., dated 17th April 1896, would be conceded in full, the working expenses being fixed at 50 per cent., and further stating terms under which the Government of India would sanction the construction of the line on the 2½ feet gauge, and also stating that the Government of India would prefer that the line should be constructed by Government officers at the cost of the Company, and that in any case full control of the expenditure and audit would be reserved.

Judging from our experience and information as to traffic prospects between Vizianagram, Parvatipur, and Salur, and taking into account the prospect of future extensions on the 2½ feet gauge, viz the Eastern Ghâts, we should have preferred to adhere to that gauge for the entire system. It is, we believe, admitted that railway transport is most economically worked and yields the best return on capital outlay when the traffic is sufficient to keep the line working at its full capacity. This would certainly be the case if the 2½ feet gauge is adopted and the traffic worked at 60 per cent. of the gross receipts. On the other hand, it is probable that for some years the traffic will only yield a very moderate rate of interest on the more expensive standard gauge line.

Since, however, the Government of India has expressed its preference for the adoption of the standard gauge, probably in view of the line ultimately forming part of the through connection with the Bengal-Nagpur Railway at Raipur, in deference to the wishes of Government, we are prepared to adopt the 5' 6" gauge, trusting that when the period arrives for the extension to Raipur, we shall be permitted by the Government of India to submit proposals for the construction of that line.

Government Resolution, No. 514 of 1896, gives to applicants for the construction of branch railways under the second clause of the resolution the option of alternative forms of financial assistance. We have carefully discussed these with our financial supporters, who advise us that the more acceptable concession will be that referred to in sub-clause (a) alternative (a) being more simple and better understood in the city than alternative (b). Having deferred to the wishes

No. 419 R., 28TH JUNE 1897.

of Government in the matter of gauge, we trust that Government of India will concede the 3 per cent. guarantee of interest in full with a half share of surplus profits, together with the additional concessions mentioned in clause 3 of the resolution, excepting that the Company will itself construct the railway up to the standard required by the Government of India.

Under existing conditions of the money market it is of course quite impossible to raise the capital either in England or India on the basis of a 3 per cent. rupee guarantee with a half share of surplus profits, and even when the market reverts to the conditions which obtained before the late rise in the value of money, it is by no means certain that these terms will be acceptable. If the Government of India would agree to grant a 3 per cent. sterling guarantee of interest at the exchange of, say, 1s. 3d., any increase in the rupee charges to meet such interest caused by a fall in exchange below 1s. 3d. being deducted from surplus profits before they are divided, it would enable the capital to be raised at once. Under this arrangement it is practically certain that no loss could ever be incurred by the Government of India, while there would be a profit to Government so long as exchange remains above 1s. 3d.

Failing some such further concession on the part of Government of India to facilitate the raising of the capital, it is impossible to fix a date by which we could undertake to raise the capital for the construction of the intended railway.

In the meantime we should be glad to receive the surveys and traffic statistics prepared by the Public Works Department to enable exact calculations to be prepared of the total capital required to be raised.

We have, &c.,

(Signed) BRADFORD LESLIE.
(") H. G. TURNER.

The Under Secretary of State for India.

No. 5.

P.W. 2096/7.

GENTLEMEN,

INDIA OFFICE,
8th December 1896.

I am directed by the Secretary of State for India in Council to acknowledge the receipt of your two letters of 20th November, and, with regard to the projected railway from Vizianagram to Bimlipatam, I am to state that the Government of India will be informed of your acceptance of the concession, and will be consulted as to any special terms and conditions which they would wish to be included in the agreement.

As to the proposed line to Parvatipur, with a branch to Salur, you consider that it would be impossible to raise the required capital on the basis of a 3 per cent. rupee guarantee, as provided by the Government of India Resolution of 17th April 1896, and you propose, in lieu thereof, a sterling guarantee on certain conditions. Lord George Hamilton regrets that he is unable to entertain the proposal of a sterling guarantee, and the concession offered to you of the above line must, under the circumstances, be considered to have lapsed.

I am, &c.,

(Signed) HORACE WALPOLE.

Sir Bradford Leslie, K.C.I.E.
H. G. Turner, Esq.

From W. O. HORNE, Esq., Acting Collector, Vizagapatam District, to the Officiating Joint Secretary to Government, Public Works Department, Railway Branch, dated 6th March 1897, Dis. No. 809.

I have the honour to forward, herewith, a letter, dated 1st instant, from the Secretary, Railway Committee, Bimlipatam, addressed to His Excellency the Viceroy and Governor-General of India in Council requesting that a continuous line of railway from Bimlipatam to Parvatipur be ordered to be constructed, either of the standard or metre gauge.

No. 419 R., 28TH JUNE 1897.

This concession is offered to you subject to such terms and conditions in respect of the purchase of the line by the State, and its working by the main line and other matters, as may be arranged by agreement between you and the Secretary of State.

Sir Bradford Leslie, K.C.I.E.
H. G. Turner, Esq.

I am, &c.,

(Signed) HORACE WALPOLE.

No. 3.

WINCHESTER HOUSE,
OLD BROAD STREET, LONDON, E.C.

20th November 1896.

SIR,

We have the honour to acknowledge the receipt of your P.W. 990, of the 15th July 1896, referring to our proposals to undertake the construction of a railway from Vizianagram to Bimlipatam.

In reply, we beg to state that we accept the concession offered to us by the Secretary of State to connect Bimlipatam with the East Coast Railway at Vizianagram by a railway on the 2½ feet gauge, the land for the same being provided by the Secretary of State free of cost. The concession to be subject to such terms and conditions in respect of the purchase of the line by the State, and other matters as may be arranged by agreement between the Secretary of State and ourselves.

We have, &c.,

(Signed) BRADFORD LESLIE.
(") H. G. TURNER.

The Under Secretary of State for India.

No. 4.

WINCHESTER HOUSE,
OLD BROAD STREET, LONDON, E.C.

20th November 1896.

SIR,

We have the honour to acknowledge the receipt of your P.W. No. 990 of the 15th July 1896, intimating that the Government of India propose that we should construct the line from Vizianagram to Parvatipur, with a branch to Salur, on the standard gauge, in which case the terms for the construction of branch lines notified under Resolution No. 514 R.C., dated 17th April 1896, would be conceded in full, the working expenses being fixed at 50 per cent., and further stating terms under which the Government of India would sanction the construction of the line on the 2½ feet gauge, and also stating that the Government of India would prefer that the line should be constructed by Government officers at the cost of the Company, and that in any case full control of the expenditure and audit would be reserved.

Judging from our experience and information as to traffic prospects between Vizianagram, Parvatipur, and Salur, and taking into account the prospect of future extensions on the 2½ feet gauge, viz the Eastern Ghâts, we should have preferred to adhere to that gauge for the entire system. It is, we believe, admitted that railway transport is most economically worked and yields the best return on capital outlay when the traffic is sufficient to keep the line working at its full capacity. This would certainly be the case if the 2½ feet gauge is adopted and the traffic worked at 60 per cent. of the gross receipts. On the other hand, it is probable that for some years the traffic will only yield a very moderate rate of interest on the more expensive standard gauge line.

Since, however, the Government of India has expressed its preference for the adoption of the standard gauge, probably in view of the line ultimately forming part of the through connection with the Bengal-Nagpur Railway at Raipur, in deference to the wishes of Government, we are prepared to adopt the 5' 6" gauge, trusting that when the period arrives for the extension to Raipur, we shall be permitted by the Government of India to submit proposals for the construction of that line.

Government Resolution, No. 514 of 1896, gives to applicants for the construction of branch railways under the second clause of the resolution the option of alternative forms of financial assistance. We have carefully discussed these with our financial supporters, who advise us that the more acceptable concession will be that referred to in sub-clause (a) alternative (a) being more simple and better understood in the city than alternative (b). Having deferred to the wishes

No. 419 R., 28TH JUNE 1897.

of Government in the matter of gauge, we trust that Government of India will concede the 3 per cent. guarantee of interest in full with a half share of surplus profits, together with the additional concessions mentioned in clause 3 of the resolution, excepting that the Company will itself construct the railway up to the standard required by the Government of India.

Under existing conditions of the money market it is of course quite impossible to raise the capital either in England or India on the basis of a 3 per cent. rupee guarantee with a half share of surplus profits, and even when the market reverts to the conditions which obtained before the late rise in the value of money, it is by no means certain that these terms will be acceptable. If the Government of India would agree to grant a 3 per cent. sterling guarantee of interest at the exchange of, say, 1s. 3d., any increase in the rupee charges to meet such interest caused by a fall in exchange below 1s. 3d. being deducted from surplus profits before they are divided, it would enable the capital to be raised at once. Under this arrangement it is practically certain that no loss could ever be incurred by the Government of India, while there would be a profit to Government so long as exchange remains above 1s. 3d.

Failing some such further concession on the part of Government of India to facilitate the raising of the capital, it is impossible to fix a date by which we could undertake to raise the capital for the construction of the intended railway.

In the meantime we should be glad to receive the surveys and traffic statistics prepared by the Public Works Department to enable exact calculations to be prepared of the total capital required to be raised.

We have, &c.,

(Signed) BRADFORD LESLIE.
(") H. G. TURNER.

The Under Secretary of State for India.

No. 5.

P.W. 2096/7.
GENTLEMEN,

INDIA OFFICE,
8th December 1896.

I am directed by the Secretary of State for India in Council to acknowledge the receipt of your two letters of 20th November, and, with regard to the projected railway from Vizianagram to Bimlipatam, I am to state that the Government of India will be informed of your acceptance of the concession, and will be consulted as to any special terms and conditions which they would wish to be included in the agreement.

As to the proposed line to Parvatipur, with a branch to Salur, you consider that it would be impossible to raise the required capital on the basis of a 3 per cent. rupee guarantee, as provided by the Government of India Resolution of 17th April 1896, and you propose, in lieu thereof, a sterling guarantee on certain conditions. Lord George Hamilton regrets that he is unable to entertain the proposal of a sterling guarantee, and the concession offered to you of the above line must, under the circumstances, be considered to have lapsed.

I am, &c.,

(Signed) HORACE WALPOLE.

Sir Bradford Leslie, K.C.I.E.
H. G. Turner, Esq.

From W. O. HORNE, Esq., Acting Collector, Vizagapatam District, to the Officiating Joint Secretary to Government, Public Works Department, Railway Branch, dated 6th March 1897, Dis. No. 809.

I have the honour to forward, herewith, a letter, dated 1st instant, from the Secretary, Railway Committee, Bimlipatam, addressed to His Excellency the Viceroy and Governor-General of India in Council requesting that a continuous line of railway from Bimlipatam to Parvatipur be ordered to be constructed, either of the standard or metre gauge.

No. 419 R., 28TH JUNE 1897.

ENCLOSURES.

From the Secretary, Railway Committee, Bimlipatam, to the Viceroy and Governor-General of India in Council, dated 1st March 1897.

In pursuance of the enclosed resolution passed at a public meeting held on 10th February 1897 at Bimlipatam, I most respectfully beg that your Excellency may be pleased to direct that a continuous line of railway from Bimlipatam to Parvatipur be constructed, be it standard or metre gauge, as the dislocation of gauges at Vizianagram will seriously tell upon the convenience and comfort of the people and the trade of Bimlipatam. For which act of kindness as in duty bound shall ever pray.

Copy of Resolution passed at a public meeting held at Bimlipatam on 10th February 1897.

That this public meeting of the merchants and inhabitants of Bimlipatam learns that a concession has been granted by the Secretary of State to Sir Bradford Leslie and Mr. H. G. Turner to enable them to form a company to construct a light railway on the 2' 6" gauge from Bimlipatam to Vizianagram, and the Government of India have expressed a preference that the contemplated line from Vizianagram to Parvatipur should be on the standard gauge.

This meeting is of opinion that the dislocation of gauges at Vizianagram thereby causing break of bulk of goods at that place will deprive the people of Bimlipatam of the full effect, comfort and convenience which the railway connection with Vizianagram would otherwise bestow on them and on their trade. They therefore humbly request that the Government of India may be pleased to direct that the line from Bimlipatam to Vizianagram be constructed on the same gauge as the line from Vizianagram to Parvatipur, be it standard or any other gauge and they will as in duty bound ever pray.

(Signed) P. ANUNDAGAJAPATHY RAJ,
President.

From the Chairman, Chamber of Commerce, Madras, to the Officiating Joint Secretary to Government, Public Works Department, Railway Branch, dated 21st March 1897.

A short time ago it was announced that the Secretary of State for India had sanctioned the construction of a 2' 6" gauge line of railway between Vizianagram and Bimlipatam, and the Chamber has since learned of the dissatisfaction which has been locally expressed at sanction for the construction of a standard gauge line being withheld, as well as a guarantee and other facilities calculated to materially assist in the flotation of a Company to take up the work. The Chamber is at a loss to understand why a break of gauge should have been insisted upon, save on the supposition that it is the desire of the Government of India and the Secretary of State to force traffic to Vizagapatam in order to assist the East Coast Railway and in view of the possibility of a boat harbour being constructed some day at that port.

So far as the proposed boat harbour is concerned, the Chamber considers that there is reason to doubt whether it will ever be constructed unless funds are provided by the State—and this the Government has declined to do. The facilities given to landing and shipping cargo which may result from the boat harbour will not in any way compensate the merchants of the district for the extra cost of the carriage of goods by rail to the harbour and the enhanced dues and shipping charges. Furthermore, Vizagapatam is not nearly so convenient as a shipping port as, and the facilities offered there are much less than, at Bimlipatam. In this connection I have to invite your attention to my letter of the 26th June 1891, to the letter, dated the 22nd April 1891, which the Bimlipatam Railway Committee addressed to His Excellency the Governor—which represented the opinion of practically the whole mercantile community of the Vizagapatam district—and also to the memorials addressed to His Excellency the Governor in Council in October and November 1890, by the inhabitants of Bimlipatam and Vizianagram, in which the objections to Vizagapatam as the chief shipping port of the district were clearly set forth. As the Chamber remarked

in its letter, the memorialists did not advocate the retention of trade at Bimlipatam because they feared that by its going to Vizagapatam it would pass from their hands into those of others, but because Vizagapatam did not possess the facilities for accommodating the trade of Bimlipatam as well as their own. They foresaw that if trade was forced to Vizagapatam, a good deal of the benefit that the East Coast Railway should undoubtedly do to the trade of the district would be done away with, owing to the inconvenience and expenses of that port. The memorialists added that they already had in their hands all the important portion of the trade at Vizagapatam, and that in asking for the connection of Bimlipatam with the East Coast Railway there was no question of one section of the mercantile interests of the district attempting to obtain an advantage over the other. These arguments of the memorialists are, the Chamber considers, as irrefutable now as when they were advanced, and therefore the Chamber cannot but deplore the decision of the Secretary of State, which, however, it hopes, is not irrevocable.

Then, as regards the East Coast Railway, its claim to take the whole of the inland traffic appears to be based on a misapprehension of the existing course of trade. Two arteries of traffic intersect each other at Vizianagram—the coast traffic between the north and south, and the inland traffic between the interior and Bimlipatam. These two distinct courses of trade require separate railway facilities—and separate systems were at one time allotted to them, for the East Coast Railway project was quite a different thing to the proposed Raipore-Vizagapatam line. In the Chamber's opinion, the East Coast line ought to be content with what traffic it can obtain from the other systems and it thinks it is not too much to say that that railway will obtain far more traffic by the great development of trade which is certain to follow extended railway facilities than by endeavouring to procure a monopoly of the carrying trade of the district at the expense of its economical conduct.

Holding these views, therefore, and anxious only for the advancement of the general good of the trade of the district, the Chamber begs to express the hope that the Madras Government will urge upon the Secretary of State the great desirability, in the interest of the district generally, of sanctioning the construction of a line between Vizianagram and Bimlipatam on the standard gauge. The Chamber does not ask that any financial state aid should be given towards the construction of the line—though it considers that such aid should be accorded if desired—for it feels confident that its prospects are so good that the required capital would soon be subscribed publicly—a result which will be difficult if not impossible of accomplishment if a break of gauge is insisted upon.

From every point of view, the Chamber regards Bimlipatam as superior to Vizagapatam as a shipping port, and it trusts, therefore, that its claims to generous consideration will be met by the Secretary of State in the manner suggested.

From the Secretary to the Government of India, Public Works Department, to the Officiating Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, dated Simla, 3rd April 1897, No. 546 R.C.

In continuation of the Government of India's letter, No. 154 R.C., dated 25th January 1897, I am directed to forward, herewith, a copy of a further communication from the Secretary of State for India regarding the proposals of Sir Bradford Leslie and Mr. H. G. Turner for the construction of light 2' 6" gauge railways from Vizianagram to Parvatipur and Bimlipatam, respectively.

2. I am also to forward copies of two letters lately received from Mr. Turner on the subject of those proposals and of the replies of the Government of India thereto, Letters, dated Madras, 4th March 1897.

No. 419 R., 28TH JUNE 1897.

ENCLOSURES.

From the Secretary, Railway Committee, Bimlipatam, to the Viceroy and Governor-General of India in Council, dated 1st March 1897.

In pursuance of the enclosed resolution passed at a public meeting held on 10th February 1897 at Bimlipatam, I most respectfully beg that your Excellency may be pleased to direct that a continuous line of railway from Bimlipatam to Parvatipur be constructed, be it standard or metre gauge, as the dislocation of gauges at Vizianagram will seriously tell upon the convenience and comfort of the people and the trade of Bimlipatam. For which act of kindness as in duty bound shall ever pray.

Copy of Resolution passed at a public meeting held at Bimlipatam on 10th February 1897.

That this public meeting of the merchants and inhabitants of Bimlipatam learns that a concession has been granted by the Secretary of State to Sir Bradford Leslie and Mr. H. G. Turner to enable them to form a company to construct a light railway on the 2' 6" gauge from Bimlipatam to Vizianagram, and the Government of India have expressed a preference that the contemplated line from Vizianagram to Parvatipur should be on the standard gauge.

This meeting is of opinion that the dislocation of gauges at Vizianagram thereby causing break of bulk of goods at that place will deprive the people of Bimlipatam of the full effect, comfort and convenience which the railway connection with Vizianagram would otherwise bestow on them and on their trade. They therefore humbly request that the Government of India may be pleased to direct that the line from Bimlipatam to Vizianagram be constructed on the same gauge as the line from Vizianagram to Parvatipur, be it standard or any other gauge and they will as in duty bound ever pray.

(Signed) P. ANUNDAGAJAPATHY RAJ,
President.

From the Chairman, Chamber of Commerce, Madras, to the Officiating Joint Secretary to Government, Public Works Department, Railway Branch, dated 21th March 1897.

A short time ago it was announced that the Secretary of State for India had sanctioned the construction of a 2' 6" gauge line of railway between Vizianagram and Bimlipatam, and the Chamber has since learned of the dissatisfaction which has been locally expressed at sanction for the construction of a standard gauge line being withheld, as well as a guarantee and other facilities calculated to materially assist in the flotation of a Company to take up the work. The Chamber is at a loss to understand why a break of gauge should have been insisted upon, save on the supposition that it is the desire of the Government of India and the Secretary of State to force traffic to Vizagapatam in order to assist the East Coast Railway and in view of the possibility of a boat harbour being constructed some day at that port.

So far as the proposed boat harbour is concerned, the Chamber considers that there is reason to doubt whether it will ever be constructed unless funds are provided by the State—and this the Government has declined to do. The facilities given to landing and shipping cargo which may result from the boat harbour will not in any way compensate the merchants of the district for the extra cost of the carriage of goods by rail to the harbour and the enhanced dues and shipping charges. Furthermore, Vizagapatam is not nearly so convenient as a shipping port as, and the facilities offered there are much less than, at Bimlipatam. In this connection I have to invite your attention to my letter of the 26th June 1891, to the letter, dated the 22nd April 1891, which the Bimlipatam Railway Committee addressed to His Excellency the Governor—which represented the opinion of practically the whole mercantile community of the Vizagapatam district—and also to the memorials addressed to His Excellency the Governor in Council in October and November 1890, by the inhabitants of Bimlipatam and Vizianagram, in which the objections to Vizagapatam as the chief shipping port of the district were clearly set forth. As the Chamber remarked

in its letter, the memorialists did not advocate the retention of trade at Bimlipatam because they feared that by its going to Vizagapatam it would pass from their hands into those of others, but because Vizagapatam did not possess the facilities for accommodating the trade of Bimlipatam as well as their own. They foresaw that if trade was forced to Vizagapatam, a good deal of the benefit that the East Coast Railway should undoubtedly do to the trade of the district would be done away with, owing to the inconvenience and expenses of that port. The memorialists added that they already had in their hands all the important portion of the trade at Vizagapatam, and that in asking for the connection of Bimlipatam with the East Coast Railway there was no question of one section of the mercantile interests of the district attempting to obtain an advantage over the other. These arguments of the memorialists are, the Chamber considers, as irrefutable now as when they were advanced, and therefore the Chamber cannot but deplore the decision of the Secretary of State, which, however, it hopes, is not irrevocable.

Then, as regards the East Coast Railway, its claim to take the whole of the inland traffic appears to be based on a misapprehension of the existing course of trade. Two arteries of traffic intersect each other at Vizianagram—the coast traffic between the north and south, and the inland traffic between the interior and Bimlipatam. These two distinct courses of trade require separate railway facilities—and separate systems were at one time allotted to them, for the East Coast Railway project was quite a different thing to the proposed Raipore-Vizagapatam line. In the Chamber's opinion, the East Coast line ought to be content with what traffic it can obtain from the other systems and it thinks it is not too much to say that that railway will obtain far more traffic by the great development of trade which is certain to follow extended railway facilities than by endeavouring to procure a monopoly of the carrying trade of the district at the expense of its economical conduct.

Holding these views, therefore, and anxious only for the advancement of the general good of the trade of the district, the Chamber begs to express the hope that the Madras Government will urge upon the Secretary of State the great desirability, in the interest of the district generally, of sanctioning the construction of a line between Vizianagram and Bimlipatam on the standard gauge. The Chamber does not ask that any financial state aid should be given towards the construction of the line—though it considers that such aid should be accorded if desired—for it feels confident that its prospects are so good that the required capital would soon be subscribed publicly—a result which will be difficult if not impossible of accomplishment if a break of gauge is insisted upon.

From every point of view, the Chamber regards Bimlipatam as superior to Vizagapatam as a shipping port, and it trusts, therefore, that its claims to generous consideration will be met by the Secretary of State in the manner suggested.

From the Secretary to the Government of India, Public Works Department, to the Officiating Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, dated Simla, 3rd April 1897, No. 546 R.C.

In continuation of the Government of India's letter, No. 154 R.C., dated 25th January 1897, I am directed to forward, herewith, a copy of a further communication from the Secretary of State for India regarding the proposals of Sir Bradford Leslie and Mr. H. G. Turner for the construction of light 2' 6" gauge railways from Vizianagram to Parvatipur and Bimlipatam, respectively.

2. I am also to forward copies of two letters lately received from Mr. Turner on the subject of those proposals and of the replies of the Government of India thereto, Letters, dated Madras, 4th March 1897.

and to request that the Government of India may be favoured with an expression of Letters, Nos. 533 and 534 R.C., dated 27th March 1897. opinion by the Government of Madras on Mr. Turner's proposal to alter the gauge of the Vizianagram-Bimlipatam branch to 5' 6" on the strength of the guarantee offered by the Maharajah of Vizianagram.

3. An early reply is requested.

Despatch from the Right Honourable the Secretary of State for India, to His Excellency the Right Honourable the Governor-General of India in Council, dated India Office, London, 21st January 1897, No. 5, Railway.

In continuation of my despatch, dated 10th December 1896, No. 105, I forward, for the information of your Excellency, a copy of a letter since received from Mr. H. G. Turner, and of the reply thereto, relative to the Vizianagram-Párvatipur concession.

* Dated 10th December 1896.

† Dated 19th January 1897.

ENCLOSURES.

WINCHESTER HOUSE,
OLD BROAD ST., LONDON, E.C.
10th December 1896.

SIR,

In the absence of Sir Bradford Leslie from London (he is expected here next week when we propose to call at the India Office), I have the honour to acknowledge receipt of your letter, No. P.W. 2096/7 of the 8th instant.

With regard to the concession of the Bimlipatam-Vizianagram Railway which will be referred to the Government of India for any special terms and conditions which they may wish to include in the agreement, I should esteem it a favour if the views of the Government of India in January and February of next year on the business. We are already in treaty with an Engineer to enter on the survey of the line, and we anticipate no difficulty in raising the small capital required.

Respecting the proposed line to Parvatipur with a branch to Salur, I am sure that Sir Bradford Leslie will agree with me that more has been inferred from our financial representations than was in any way intended by ourselves. We have no desire to insist on a sterling guarantee as a *sine qua non*, but we put it forward as a ready way of raising the capital in the present stringent state of the rupee market, as was explained to Sir Charles Crosthwaite by Mr. Macfadyen in our recent interview at the India Office.

This proposal having been finally negatived by Lord George Hamilton, and never having been made an essential condition by us, we have the honour respectfully to point out that the concession as granted to us has not lapsed and that we are prepared to act on its terms. We will go to the public on the Branch Line terms on the basis of a 3 per cent. rupee guarantee as provided by the Government of India Resolution of the 17th April 1896.

We have perused your letter to the President of the Association of Chambers of Commerce which appears in this morning's *Times* in which you draw attention to the success of this measure on the Bombay side and we hope to find that Madras will now follow suit.

With these explanations we trust that you will furnish us with the survey and details of traffic on the proposed line which we asked for in our letter of the 20th November.

I have, &c.,

(Signed) H. G. TURNER.

The Under Secretary of State for India, India Office,
Whitehall, S.W.

No. P.W. 2236.

SIR,

19th January 1897.

I am directed by the Secretary of State for India to acknowledge receipt of your letter of 10th December 1896, and to remind you that it was stated in your letter of 20th November that it was quite impossible to raise the capital for the proposed Vizianagram-Párvatipur Railway on the basis of a rupee guarantee.

As you now state that you are still willing to proceed on the basis of branch line terms, I am to suggest that you should, in accordance with the terms of the Resolution of the Government of India, No. 514 R.C., of 17th April 1896, submit to that Government fresh proposals on the basis of that resolution.

I am, &c.,

(Signed) HORACE WALPOLE.

H. G. Turner, Esq., Winchester House,
Old Broad Street, E.C.

MADRAS,
4th March 1897.

SIR,

Referring to the letter from the Under Secretary of State for India to myself, No. P.W. 2236, dated 19th January 1897, I have the honour to state that on my return to England, and in consultation with Sir Bradford Leslie, I will submit to the Government fresh proposals for the Vizianagram-Párvatipur Railway on the basis of the Resolution of the Government of India, No. 514 R.C. of 17th April 1896.

In this connection I would remark that if the Vizianagram-Bimlipatam line be conceded on the same gauge as the Vizianagram-Párvatipur line, there would be very little difficulty in raising the capital on a rupee basis.

I have, &c.,

(Signed) H. G. TURNER.

The Secretary to the Government of India,
Public Works Department, (Railway), Calcutta.

MADRAS,
4th March 1897.

SIR,

In my letter to the Under Secretary of State for India, dated 10th December 1896, I had the honour to request that the Government of India might be pleased to communicate with me as to any special terms and conditions regarding the Vizianagram-Bimlipatam concession, while I was in India in January and February.

As I have not been favoured with any communication on the subject and as I am now leaving India, I have the honour to inform the Government that I have commenced the survey of the proposed line between Vizianagram and Bimlipatam, and that the Maharajah of Vizianagram has been so generous as to promise a subsidy of interest towards the line to enable the formation of a company.

During my visit to Vizianagram and Bimlipatam the merchants of both towns communicated their wishes to me that I should represent to Government their great desire that the Vizianagram-Bimlipatam branch should be constructed on the same gauge as the Vizianagram-Párvatipur branch for which the Government of India have prescribed the standard gauge.

I have represented their wishes to His Excellency the Governor of Madras and to the Chamber of Commerce. Should the proposal meet with the approval of the Government of India I shall be ready to accept a corresponding modification of the concession granted to Sir Bradford Leslie and myself by the Secretary of State.

In view to relieve the Maharajah of Vizianagram of the charge on his estate which he has voluntarily offered to enable me to finance the company, I would respectfully suggest that there is no need for accepting this aid if Government would be pleased to concede branch line terms to this railway.

I have, &c.,

(Signed) H. G. TURNER.

The Secretary to the Government of India,
Public Works Department (Railway), Calcutta.

From the Secretary to the Government of India, Public Works Department, to H. G. TURNER, Esq., Winchester House, Old Broad Street, London, E. C., dated 27th March 1897, No. 533 R.C.

I am directed to acknowledge the receipt of your letter, dated 4th March 1897, intimating your intention to submit to the Government of India fresh proposals for the construction under the terms of Public Works Department Resolution No. 514 R.C., dated 17th April 1896, of the proposed Vizianagram-Párvatipur branch railway in substitution for those which the Secretary of State has informed you have lapsed.

and to request that the Government of India may be favoured with an expression of Letters, Nos. 533 and 534 R.C., dated 27th March 1897. opinion by the Government of Madras on Mr. Turner's proposal to alter the gauge of the Vizianagram-Bimlipatam branch to 5' 6" on the strength of the guarantee offered by the Maharajah of Vizianagram.

3. An early reply is requested.

Despatch from the Right Honourable the Secretary of State for India, to His Excellency the Right Honourable the Governor-General of India in Council, dated India Office, London, 21st January 1897, No. 5, Railway.

In continuation of my despatch, dated 10th December 1896, No. 105, I forward, for the information of your Excellency, a copy of a letter since received from Mr. H. G. Turner, and of the reply thereto, relative to the Vizianagram-Párvatipur concession.

* Dated 10th December 1896.

† Dated 19th January 1897.

ENCLOSURES.

WINCHESTER HOUSE,
OLD BROAD ST., LONDON, E.C.
10th December 1896.

SIR,

In the absence of Sir Bradford Leslie from London (he is expected here next week when we propose to call at the India Office), I have the honour to acknowledge receipt of your letter, No. P.W. 2096/7 of the 8th instant.

With regard to the concession of the Bimlipatam-Vizianagram Railway which will be referred to the Government of India for any special terms and conditions which they may wish to include in the agreement, I should esteem it a favour if the views of the Government of India in January and February of next year on the business. We are already in treaty with an Engineer to enter on the survey of the line, and we anticipate no difficulty in raising the small capital required.

Respecting the proposed line to Parvatipur with a branch to Salur, I am sure that Sir Bradford Leslie will agree with me that more has been inferred from our financial representations than was in any way intended by ourselves. We have no desire to insist on a sterling guarantee as a *sine qua non*, but we put it forward as a ready way of raising the capital in the present stringent state of the rupee market, as was explained to Sir Charles Crosthwaite by Mr. Macfadyen in our recent interview at the India Office.

This proposal having been finally negatived by Lord George Hamilton, and never having been made an essential condition by us, we have the honour respectfully to point out that the concession as granted to us has not lapsed and that we are prepared to act on its terms. We will go to the public on the Branch Line terms on the basis of a 3 per cent. rupee guarantee as provided by the Government of India Resolution of the 17th April 1896.

We have perused your letter to the President of the Association of Chambers of Commerce which appears in this morning's *Times* in which you draw attention to the success of this measure on the Bombay side and we hope to find that Madras will now follow suit.

With these explanations we trust that you will furnish us with the survey and details of traffic on the proposed line which we asked for in our letter of the 20th November.

I have, &c.,

(Signed) H. G. TURNER.

The Under Secretary of State for India, India Office,
Whitehall, S.W.

No. P.W. 2236.

SIR,

19th January 1897.

I am directed by the Secretary of State for India to acknowledge receipt of your letter of 10th December 1896, and to remind you that it was stated in your letter of 20th November that it was quite impossible to raise the capital for the proposed Vizianagram-Párvatipur Railway on the basis of a rupee guarantee.

As you now state that you are still willing to proceed on the basis of branch line terms, I am to suggest that you should, in accordance with the terms of the Resolution of the Government of India, No. 514 R.C., of 17th April 1896, submit to that Government fresh proposals on the basis of that resolution.

I am, &c.,

(Signed) HORACE WALPOLE.

H. G. Turner, Esq., Winchester House,
Old Broad Street, E.C.

MADRAS,
4th March 1897.

SIR,

Referring to the letter from the Under Secretary of State for India to myself, No. P.W. 2236, dated 19th January 1897, I have the honour to state that on my return to England, and in consultation with Sir Bradford Leslie, I will submit to the Government fresh proposals for the Vizianagram-Párvatipur Railway on the basis of the Resolution of the Government of India, No. 514 R.C. of 17th April 1896.

In this connection I would remark that if the Vizianagram-Bimlipatam line be conceded on the same gauge as the Vizianagram-Párvatipur line, there would be very little difficulty in raising the capital on a rupee basis.

I have, &c.,

(Signed) H. G. TURNER.

The Secretary to the Government of India,
Public Works Department, (Railway), Calcutta.

MADRAS,
4th March 1897.

SIR,

In my letter to the Under Secretary of State for India, dated 10th December 1896, I had the honour to request that the Government of India might be pleased to communicate with me as to any special terms and conditions regarding the Vizianagram-Bimlipatam concession, while I was in India in January and February.

As I have not been favoured with any communication on the subject and as I am now leaving India, I have the honour to inform the Government that I have commenced the survey of the proposed line between Vizianagram and Bimlipatam, and that the Maharajah of Vizianagram has been so generous as to promise a subsidy of interest towards the line to enable the formation of a company.

During my visit to Vizianagram and Bimlipatam the merchants of both towns communicated their wishes to me that I should represent to Government their great desire that the Vizianagram-Bimlipatam branch should be constructed on the same gauge as the Vizianagram-Párvatipur branch for which the Government of India have prescribed the standard gauge.

I have represented their wishes to His Excellency the Governor of Madras and to the Chamber of Commerce. Should the proposal meet with the approval of the Government of India I shall be ready to accept a corresponding modification of the concession granted to Sir Bradford Leslie and myself by the Secretary of State.

In view to relieve the Maharajah of Vizianagram of the charge on his estate which he has voluntarily offered to enable me to finance the company, I would respectfully suggest that there is no need for accepting this aid if Government would be pleased to concede branch line terms to this railway.

I have, &c.,

(Signed) H. G. TURNER.

The Secretary to the Government of India,
Public Works Department (Railway), Calcutta.

From the Secretary to the Government of India, Public Works Department, to H. G. TURNER, Esq., Winchester House, Old Broad Street, London, E. C., dated 27th March 1897, No. 533 R.C.

I am directed to acknowledge the receipt of your letter, dated 4th March 1897, intimating your intention to submit to the Government of India fresh proposals for the construction under the terms of Public Works Department Resolution No. 514 R.C., dated 17th April 1896, of the proposed Vizianagram-Párvatipur branch railway in substitution for those which the Secretary of State has informed you have lapsed.

2. In reply I am to inform you that it has now been arranged, with the approval of the Secretary of State for India, that all proposals for the further prosecution of railway lines in India shall be submitted for simultaneous and comprehensive consideration to a conference to be assembled for the purpose in the summer of each year. Your fresh application will accordingly be reserved when received for consideration at the next conference and the result will be communicated to you in due course.

From the Secretary to the Government of India, Public Works Department, to H. G. TURNER, Esq., Winchester House, Old Broad Street, London, E.C., dated 27th March 1897, No. 534 R.C.

I am directed to acknowledge the receipt of your letter, dated 4th March 1897, stating that you are prepared to accept the standard gauge on the Vizianagram-Bimlipatam branch line for which you have been granted a concession for a 2' 6" gauge line without any aid from Government except the grant of land free and suggesting that, if Government will concede branch line terms for this railway, there will be no necessity for the subsidy of interest offered by the Maharajah of Vizianagram.

2. In reply I am to inform you that the Government of India are not prepared to apply the branch line terms to the Vizianagram-Bimlipatam branch railway, but that your suggestion that it should be constructed on the standard gauge instead of on the 2' 6" gauge, the terms of your existing concession remaining in other respects unaltered has been referred to the Government of Madras, and that a decision on the subject will be communicated to you in due course, it being understood that you are at liberty in the meantime, if you so desire, to proceed with your arrangements in connection with your existing concession for the line on the 2' 6" gauge.

Telegram from the Secretary to the Government of India, Public Works Department, to the Officiating Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, dated Simla, 3rd June 1897, No. 910 R.C.

My letter numbered and dated as follows: 546 R.C., 3rd April last. Mr. Turner's proposals: When may reply be expected? Kindly expedite.

Telegram from the Officiating Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to the Secretary to the Government of India, Public Works Department, Simla, dated 8th June 1897, No. 5 A.

Your telegram 910 R.C., 3rd instant. Reply called for already drafted but death of Maharajah Vizianagram makes alterations necessary. Reply probably within week.

ORDER—No. 419 R., dated 28th June 1897.

The letters read above from the Chairman of the Chamber of Commerce and from the Collector of Vizagapatam will be forwarded to the Government of India.

[Here enter No. 420 R., dated 28th June 1897.]

(True Extract.)

(Signed) F. J. E. SPRING,
Offg. Joint Secy. to Govt.,
Railway Branch.

To the Collector of Vizagapatam.
" Chairman, Chamber of Commerce, Madras.

Exd. Shaik Karim.

RAILWAY.

Government (1897) of Madras. PUBLIC WORKS.

Recd.

Enclosures

Regd.

1897.

Spare copies

Letter, No. 420 R., 28th June 1897.

JUNE.

Railway between Vizianagram and Bimlipatam

Furnishing the Government of India with the views of this Government on the subject of the construction of a 2' 6" gauge line of —.

9. As an aid to the Government of India in arriving at an unbiased opinion on the important matter now under reference, I am directed to forward, for information, a copy of a letter with its enclosures, No. 809, dated the 6th March 1897, from the Collector of Vizagapatam, and also a copy of a letter from the Madras Chamber of Commerce, dated the 24th March 1897. The Madras Chamber of Commerce have been informed that a copy of their letter has been forwarded to the Government of India.

I have the honour to be,

Sir,

Your most obedient servant,

(Signed) F. J. E. SPRING,
Offg. Joint Secy. to Govt.,
Railway Branch.

OOTACAMUND,
28th June 1897.

Exd. Shaik Karim.

Public Works (1897) Department.

CURRENT No. 1096

Order

From
The Govt of India,
P.W.D.

No. 154 R.C.

Dated 25th January 1897

Received 1-2-97

Enclosures 1

Spare copies

SUBJECT.

Proposed Light railway
to connect Vixianagram
with Parvatipur and
with Bimlipatam

Forwarding copy of
Despatch from the
Secy. of State re: —
and enquiring if the
line to Bimlipatam
should be made as a r.p.
or as a tramway.

9. As an aid to the Government of India in arriving at an unbiased opinion on the important matter now under reference, I am directed to forward, for information, a copy of a letter with its enclosures, No. 809, dated the 6th March 1897, from the Collector of Vizagapatam, and also a copy of a letter from the Madras Chamber of Commerce, dated the 24th March 1897. The Madras Chamber of Commerce have been informed that a copy of their letter has been forwarded to the Government of India.

I have the honour to be,

Sir,

Your most obedient servant,

(Signed) F. J. E. SPRING,
Offg. Joint Secy. to Govt.,
Railway Branch.

OOTACAMUND,
28th June 1897.

Kad. Shaik Karim.

Public Works (1897) Department.

CURRENT No. 1096

Order

From
The Govt of India,
G.W.D.

No. 154 R.C.

Dated 25th January 1897

Received 1-2-97

Enclosures 1

Spare copies

SUBJECT.

Proposed light railway
to connect Vizianagaram
with Parvatipur and
with Bimlipatam

Forwarding copy of
Despatch from the
Secy. of State re: —
and enquiring if the
line to Bimlipatam
should be made as a
or as a tramway.

No. 420 R., 28TH JUNE 1897.

9. As an aid to the Government of India in arriving at an unbiased opinion on the important matter now under reference, I am directed to forward, for information, a copy of a letter with its enclosures, No. 809, dated the 6th March 1897, from the Collector of Vizagapatam, and also a copy of a letter from the Madras Chamber of Commerce, dated the 24th March 1897. The Madras Chamber of Commerce have been informed that a copy of their letter has been forwarded to the Government of India.

I have the honour to be,

Sir,

Your most obedient servant,

(Signed) F. J. E. SPRING,
Offg. Joint Secy. to Govt.,
Railway Branch.

OOTACAMUND,
28th June 1897.

Kad. Shaik Karim.

Public Works (1897) Department.

CURRENT No. 1096

Order

From
The Govt of India,
G. W. D.

No. 154 R. C.

Dated 25th January 1897

Received 1-2-97

Enclosures 1

Spare copies

SUBJECT.

Proposed light railway
to connect Vizianagaram
with Parvatipur and
with Bimlipatam

Forwarding copy of
Despatch from the
Secy. of State re: —
and enquiring if the
line to Bimlipatam
should be made as a
or as a tramway.

BACK PAPERS.

[illegible]

FURTHER PAPERS.

G.O.	No.	Department.	D.

ENCLOSURES.

No. 1.

P. W. 990.
Gentlemen,

India Office,
15th July 1896.

I am directed by the Secretary of State for India to acquaint you that the Government of India have requested that the following proposal may be made to you in lieu of the provisional concession offered in my letter of the 27th June 1895.

The Government of India propose that you should construct the line from Vizianagram to Parvatipur, with a branch to Salur, on the standard gauge, in which case the terms for the construction by private agency of branch lines, notified under Resolution No. 511 R. C., dated 17th April 1896, a copy of which is enclosed, would be conceded in full, the working expenses being fixed at 50 per cent. of the gross earnings, and the rebate being promised from the Government line and also from the section which it is proposed to hand over to the Bengal-Nagpur Railway Company with the consent of that Company.

Should you, however, still wish to adhere to the 2½-feet gauge, the Government of India are of opinion that the masonry for the bridges should be built for a standard-gauge line, and the alignment and grading which has been surveyed for a standard-gauge line should be adopted.

With regard to the working terms in the latter case, the Government state that the East Coast Railway might work the line for 60 per cent. of the gross earnings, provided you undertake fully to stock the line with the necessary rolling stock and keep it in repair, and agree to supply all money required for additional capital work.

The Government stipulate for the right, at any time after five years from the line being opened for traffic, to take it over at six months notice for the purpose of converting it to broad gauge on paying 25 times the average actual return to the shareholders for the three years immediately preceding the notice, such purchase money not to be less than par and not to exceed 120 per cent. of the capital expended on the construction of the branch.

The Government of India would prefer that the branch should be constructed by Government officers at the cost to the Company, and in any case full control of the construction and audit would be reserved.

I am, &c.,
HORACE WALPOLE.

Sir Bradford Leslie, K.C.I.E.
H. G. Turner, Esq.

No. 2.

P.W. 990.
Gentlemen,

India Office,
16th July 1896.

The Secretary of State for India has had under his consideration in Council that part of your letter of 20th August 1895 which refers to the proposal to connect Bimlipatam with the East Coast R. by way of

26837.

1

Vizianagram by the construction of a light railway on the 2 ft. 6 in. gauge.

You urge "the claims of the Bimlipatam public to the comforts and conveniences of a branch line," and you allege that it would be unjust to refuse to allow this connection to be made.

Your arguments have been duly weighed by the Secretary of State in Council and His Lordship, while holding that there is more to be said on the other side of the question than would appear from your letter, is of opinion that the wishes and interests of the people of Bimlipatam deserve consideration at his hands.

You state that if the concession for this sixteen miles of line is granted, and the land is given to you, you will endeavour with local aid alone to raise the capital for the Bimlipatam extension.

On the understanding that no aid of any kind is to be given by the Government beyond providing the land free of cost, the Secretary of State is prepared to give you the concession you ask for a line to connect Bimlipatam with the East Coast Railway at Vizianagram, the line to be on the 2 ft. 6 in. gauge.

This concession is offered to you subject to such terms and conditions in respect of the purchase of the line by the State, and its working by the main line and other matters, as may be arranged by agreement between you and the Secretary of State.

Sir Bradford Leslie, K.C.I.E.,
H. G. Turner, Esq.

I am, &c.,
HORACE WALPOLE.

No. 3.

Winchester House,
Old Broad Street, London, E.C.,
20th November 1896.

Sir,

We have the honour to acknowledge the receipt of your P.W. 990, of the 15th July 1896, referring to our proposals to undertake the construction of a railway from Vizianagram to Bimlipatam.

In reply, we beg to state that we accept the concession offered to us by the Secretary of State to connect Bimlipatam with the East Coast Railway at Vizianagram by a railway on the 2½ feet gauge, the land for the same being provided by the Secretary of State free of cost. The concession to be subject to such terms and conditions in respect of the purchase of the line by the State, and other matters as may be arranged by agreement between the Secretary of State and ourselves.

We have, &c.,
BRADFORD LESLIE,
H. G. TURNER.

The Under Secretary of State
for India.

No. 4.

Winchester House,
Old Broad Street, London, E.C.,
20th November 1896.

Sir,

We have the honour to acknowledge the receipt of your P.W. 990, of the 15th July 1896, intimating that the Government of

India propose that we should construct the line from Vizianagram to Parvatipur, with a branch to Salur, on the standard gauge, in which case the terms for the construction of branch lines notified under Resolution No. 514 R.C., dated 17th April 1896, would be conceded in full, the working expenses being fixed at 50 per cent., and further stating terms under which the Government of India would sanction the construction of the line on the 2½-feet gauge, and also stating that the Government of India would prefer that the line should be constructed by Government officers at the cost of the Company, and that in any case full control of the expenditure and audit would be reserved.

Judging from our experience and information as to traffic prospects between Vizianagram, Parvatipur, and Salur, and taking into account the prospect of future extensions on the 2½-feet gauge, *via* the Eastern Ghats, we should have preferred to adhere to that gauge for the entire system. It is we believe admitted that railway transport is most economically worked and yields the best return on capital outlay when the traffic is sufficient to keep the line working at its full capacity. This would certainly be the case if the 2½ feet gauge is adopted and the traffic worked at 60 per cent. of the gross receipts. On the other hand, it is probable that for some years the traffic will only yield a very moderate rate of interest on the more expensive standard gauge line.

Since, however, the Government of India has expressed its preference for the adoption of the standard gauge, probably in view of the line ultimately forming part of the through connection with the Bengal-Nagpur Railway at Raipur, in deference to the wishes of Government, we are prepared to adopt the 5 ft. 6 in. gauge, trusting that when the period arrives for the extension to Raipur we shall be permitted by the Government of India to submit proposals for the construction of that line.

Government Resolution No. 514 of 1896 gives to applicants for the construction of branch railways under the 2nd Clause of the Resolution the option of alternative forms of financial assistance. We have carefully discussed these with our financial supporters, who advise us that the more acceptable concession will be that referred to in Sub-clause 6 alternative (a) being more simple and better understood in the City than alternative (b). Having deferred to the wishes of Government in the matter of gauge we trust that Government of India will concede the 3 per cent. guarantee of interest in full with a half share of surplus profits, together with the additional concessions mentioned in Clause 3 of the Resolution, excepting that the Company will itself construct the railway up to the standard required by the Government of India.

Under existing conditions of the money market it is of course quite impossible to raise the capital either in England or India on the basis of a 3 per cent. rupee guarantee with a half share of surplus profits, and even when the market reverts to the conditions which obtained before the late rise in the value of money it is by no means certain that these terms will be acceptable. If the Government of India would agree to grant a 3 per cent. sterling guarantee of interest at the exchange of, say 1s. 3d., any increase in the rupee charges to meet such interest caused by a fall in exchange below 1s. 3d. being deducted from surplus profits before they are divided, it would enable the capital to be raised at once. Under this arrangement it is practically certain that no loss could ever be incurred by the Government of India, while there would be a profit to Government so long as exchange remains above 1s. 3d.

Failing some such further concession on the part of Government of India to facilitate the raising of the capital, it is impossible to fix a date by which we could undertake to raise the capital for the construction of the intended railway.

In the meantime we should be glad to receive the surveys and traffic

statistics prepared by the Public Works Department to enable exact calculations to be prepared of the total capital required to be raised.

We have, &c.,
BRADFORD LESLIE.
H. G. TURNER.

The Under Secretary of State,
for India.

No. 5.

P.W. 2096/7.
Gentlemen,

India Office,
8th December 1896.

I am directed by the Secretary of State for India in Council to acknowledge the receipt of your two letters of 20th November, and, with regard to the projected railway from Vizianagram to Bimlipatam, I am to state that the Government of India will be informed of your acceptance of the concession, and will be consulted as to any special terms and conditions which they would wish to be included in the Agreement.

As to the proposed line to Parvatipur, with a branch to Salur, you consider that it would be impossible to raise the required capital on the basis of a 3 per cent. rupee guarantee, as provided by the Government of India Resolution of 17th April 1896, and you propose, in lieu thereof, a sterling guarantee on certain conditions. Lord George Hamilton regrets that he is unable to entertain the proposal of a sterling guarantee, and the concession offered to you of the above line must under the circumstances be considered to have lapsed.

I am, &c.,
HORACE WALPOLE.

Sir Bradford Leslie, K.C.I.E.
H. G. Turner, Esq.

India Office,
London, 10th December 1896.

Railway,
No. 105.

To His Excellency The Right Honourable The Governor
General of India in Council.

My Lord,

*Railway projects to connect Vizianagram
with Parvatipur and Bimlipatam.*

* Letters to Sir B. Leslie, &c., 15th
and 16th July 1896.
Letters from ditto, 20th November 1896
(two).
Letter to ditto, 8th December 1896.

With reference to your Letter, No. 41 (Railway), dated 19th May 1896, and to my telegram of 4th August, relative to projects for railways to connect Vizianagram with Parvatipur on the one hand and with Bimlipatam on the other, I forward herewith a copy of correspondence* with the promoters, Sir Bradford Leslie, K.C.I.E., and Mr. H. G. Turner.

2. Your Excellency will see that the promoters are unable, for the present at least, to undertake the raising of funds for the Parvatipur line except on the basis of a sterling guarantee, and that I have caused them to be informed that, under these circumstances, the concession offered to them must be considered to have lapsed.

3. The concession of the line to Bimlipatam has been accepted, and I have now to request that your Excellency will inform me, as early as possible, of any special terms and conditions which you would wish to be embodied in the agreement, whether to be entered into in India or in England, with the promoters.

I have the honour to be,

My Lord,

Your Lordship's most obedient humble Servant,
(Signed) GEORGE HAMILTON.

All communications
should be addressed
to the Secretary.

No. 154 P.C.

GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.
RAILWAY CONSTRUCTION.

To

The Joint Secretary to the Government of Madras,
Public Works Department, Railway Branch.

Calcutta, the 25th January 1897.

Sir,

In continuation of Government of India memorandum No.
829 R.C., dated 10th June 1896, I am directed to forward for

-----: information a
No. 105 Railway dated 10th December 1896, : copy of a Despatch
and enclosures. : from the Secretary
-----: of State for India

enclosing a copy of the correspondence with Sir Bradford
Leslie and Mr. H. G. Turner on the subject of their proposals
for the construction of light railways to connect Vizianagram
with Parvatipur on the one hand and with Bimlipatam on the
other.

2. It will be observed from the correspondence that the
concession to these gentlemen for the Vizianagram-Parvatipur
line is held to have lapsed, while they have accepted that
for a 2' 6" gauge railway from Vizianagram to Bimlipatam
without any assistance from the State except the free grant
of land and subject to such terms and conditions in respect
of the purchase of the line by Government and other matters
as may be arranged by agreement.

3. The Government of India will be glad to be informed
at an early date whether the Government of Madras consider
that

02

661

Wm Birch October 1, 1891.
Dear Mr. Taylor,

Copy of Despatch No.106 Railway dated 1st
December 1896, and enclosures.

B.

Parlatipur and Rindlupata
branch railways

- (1) His Excellency the Governor
- (2) Hon. Mr. H. W. Bliss C.S.B.
- (3) Hon. Mr. J. Grose C.S.E.

The Sec. State has now in-
formed the promoter that
the Parlatipur concession
has lapsed.

This being so it would per-
haps be well to let the fact
be known through the medium
of the press so that other
promoters may have a chance
of tendering for it.

I was informed on good au-
thority when on tour of in-
spection of E.C.R. that there
was a probability of the
Govt. of India making the
line from Virianagram to
Raipur and working the
whole length for Madras
Raipur as a State R.S. system.
This is perhaps the reason
why Mr. Turner was asked
to make the Parlatipur
branch B.S.

India would probably have
no objection to giving the
concession to a strong sym-
dick on Branch line term
the E.C.R. working it - and a
provis. being of course added
giving Govt. the east right
of purchase.

Jan 22/97

Orig.
1096/97

I had a conversation with Mr. Turner who was under the impression that his concession had not lapsed. I asked him if he would be willing to alter his 2'-6" branch to Bimili to a 5'-6" for Alamanda if Govt. should wish it. He said he would not care to do it himself but had no personal objection to the E.C.R. making it - but would have to consult his partner Sir B. Leslie.

I understood that the Raj of Viriamayram is guaranteeing the Bimili branch and that Messrs. Arkatt & Co. were willing to finance the Patalipar branch if the whole project to Bimili could be built to our gauge. That project having failed Mr. Turner has no further personal interest in the matter.

I drove from Viriamayram to Bimili with Mr. Arkatt Mr. Turner's engineers: the traffic was very considerable: long strings of carts, and a continuous procession of people. But as soon as a line is made to Patalipar on the 5'-6" gauge this will be diverted (the goods at any rate) to Viraj or lower. And owing to the break of gauge and the lower freight

which the E.C.R. would quote for the longer lead: and it appears that if the 2'-6" to Bimili is to pay it must be constructed and worked as cheaply as possible.

The country is not difficult and grades of 150 could be got without much work, but

there is a river which will require 5 spans of 100 ft. or equivalent waterway -

I had no opportunity of examining the alternative route to Ala-

manda, but as far as I could see and learn, it would be easier than the Viriamayram route, and there would be no need to cross the river above mentioned, and there would be a saving in distance of 4 miles about (12 against 16).

It appears to me a choice between a 5'-6" from Alamanda and a ~~branch~~ ^{waterway} laid (to be built by E.C.R.) and a ~~branch~~ ^{waterway} laid on the road (with a few divisions) from Viriamayram.

The former would give Bimili a fair share of goods traffic & would cost perhaps 40,000 a mile (old rails & no rolling stock) the latter would cost about 20,000 with rolling stock or 48,000 against 32,000 but the former would probably be more valuable to Bimili. If the 2'-6" is laid from Viriamayram to Bimili is laid as now (and

staked out on a broad gauge
alignment - It will cost probably
25,000 a mile or less than
4 lakhs -

I think the line should either
be a 5' 6" gauge from Alamanda or
a tramway laid on the road
from Viriamayam but the
choice of alignment on road
or separate one slightly more
direct will be determined by
the promoters. This Govt. can
only understand records
that it should be registered as a
tramway which I think would be best.

If the line is registered as a
tramway I know of no special
terms or conditions that need
be included in the agreement -

The Aford side from station
can be got close to the quay.

Mr. Turner informed me that
he hoped to be allowed an
interview with His Excellency
the Governor towards the end
of this month. Perhaps the
letter to Madras might wait
the result of the interview if
accorded.

Yours
22/4/87

Madras 3rd March 1897.

Dear Mr. Turner,

With reference to your
conversation with His Excellency
the Governor on the subject of
the Bimlipatnam Railway, I
should be glad if you would
let me have your views on
an alternative proposal which
has, as you are aware, been
made ^{via} to make a 5' 6" gauge
line from Alamanda to Bim-
lipatnam. I think it is impro-
bable that the Secretary of State
even if supported by the Mad.
Govt. Government would alter
the concession for the Viriam-
ayam - Bimlipatnam branch
to a 5' 6" but I think he might

Consider

Consider the Alamanda alternative favourably. It has the advantage of avoiding the brake of gauge - of being four miles shorter and of avoiding a river which would require about 500 ft. of waterway. I should be glad if you would let me know whether you would accept the Alamanda alternative on 5'-6" gauge instead of your concession for a 2'-6" gauge from Vizianagram and your views on this proposal generally.

Yours truly
Edw. D. Fowler

P. W. Current No. 1096 Branch to Bimlipatnam

U. S. the Governor.

As verbally directed by your Excellency on 2nd inst. a D.O. asking for his views on the Alamanda alternative was sent to Mr. Turner on morning of 3rd and (Mr. Turner being at) was received by his servant. Mr. Turner left for England by mail train of 3rd and has not yet having been received it is presumed he had no time to write before sailing, and I am not perhaps unduly delay the reply to Govt. of India letter if his letter was long awaited.

As stated in my previous note I believe the concession for a railway on any other gauge than the 5'-6" from Vizianagram to Bimlipatnam will not pay and that if that gauge is adhered to it will be better to make the line a tramway and lay it on the road.

This again opens the question of a 5'-6" line. Mr. Turner is anxious to exchange his concession for a line on that gauge and if the Govt. considers it unobjectionable the Sec. State might possibly alter his views.

The conditions have materially altered since India was last addressed. Mr. Turner's scheme then was to connect Parvathipur and Bimlipatnam by a through line and it was at that time that such a proposal would have carried out drawn all the Parvathipur trade to Bimlipatnam (which can never be made into a dry port)

I think the Vizianagram - Bimlipatnam branch should be either on the 5 ft. 6 in. gauge or a 2 ft. 6 in. road railway. If the larger harbour scheme for Vizianagram comes within the range of practical politics, that is to say, if it is likely to be carried out within the next 20 years, I should incline to make this branch line on the 2 ft. 6 in. gauge. But, if the Vizianagram Harbour is not to be improved, or if only the smaller scheme, the boat harbour scheme, is to be carried out, - I should

damage the E.C.R. by loss of traffic
and prevent the long worked for
improvement of Veng. harbours -

But Mr. Turner has now been
refused the concession to Parlatipam

and the condition of affairs is
now that described in para 6
of annexure 3 of enclosure 2 of
R's Dispatch 41 R. (Flag 5). The
Manager E.C.R. has stated (para 3
of annexure 1) that he will not
oppose either branch provided they
are not connected: so that it
may be expected that the opposition
of the E.C.R. will be withdrawn.

There still remains however the
danger that the construction of
this branch may prejudice the
Veng. scheme and Veng. being
the only port on the East coast
between Cochin & Calcutta up to
if being converted into a "dry"
harbour (ie one where goods can be
shipped in lighters) it is very im-
portant that its interests should
be safeguarded. More especially if it is a fact that Govt. intend to build
the Veng. branch line.

If the company which I understand
is already floated succeed in
their venture & convert it into
a "dry" port it will have little
to fear from the competition of
Prinli.

As things stand at present there
is little to choose between the
two ports: both are "wet" ports,
both are cramped for room for
extension Veng. has a good wharf
and station & a very good station
Siti can also be found at
Prinli.

The battle is one between the merchants
& their interests in the two ports:
as far as the producers in Parlatipam

I don't quite understand
what "Mr. Turner's request" is.
I don't see, i.e.,
how we can recommend compliance
with his request.

He has the 2 1/2' concession from
Vijayanagaram & Prinli & so far
as I can see, has not asked for
anything else. I don't see, i.e.,
how we can recommend compliance
with his request.

My own opinion is that within
the Vijayanagaram - Prinli line (a
tramway) on the Alameda -
Prinli line is required - My
opinion is based on work solely in
the interests of Vijayanagaram

24/3/97
24/3/97

and Sales etc. are concerned it
cannot matter much whether
their goods are shipped for one
port or the other (as the ports stand now)
Since the E.C.R. will in all probability
work the Parlatipam branch and
South-^{East} coast route to Veng. which
will make it equally cheap to
ship from there.

There remains the alternative
from Alameda which has the
merits of being shorter, at least
equally easy and avoids a large
bridge of about 500 ft. waterway
between I understand Mr. Turner
has not been willing to exchange
his concession for this alternative
and probably the Govt. of India
would not be willing to make
it, at this time of financial
difficulty.

The strong argument for the
5-6' connection is that it is
a pity to allow private en-
terprise to undertake one scheme
(the 2-6' railway) which will
probably be a failure when
it might be and so dis-
courage the railway enterprise
when it might be a finan-
cial success if constructed
on the 5-6'

1/4/97
9/3/97

22/3/97
10/3/97

Public Works (1897) Department.

CURRENT No. 2721

Order

From

The Collector of Vizagapatnam

No. 809.

Dated 6th March 1897-

Received - 15.3.97

Enclosures Two.

Spare copies -

SUBJECT.

Forwarding as letter from the Secretary,
Railway Committee Bimlipatnam to the
address of the His Excellency the Viceroy
and Governor General of India in
Council regarding a Railway from
Bimlipatnam to Parvatipur.

Public Works (1897) Department.

CURRENT No. 2721

Order

From

The Collector of Vizagapatnam

No. 809.

Dated 6th March 1897-

Received - 15.3.97

Enclosures Two.

Spare copies -

SUBJECT.

Forwarding as letter from the Secretary,
Railway Committee Bimlipatnam to the
address of the His Excellency the Viceroy
and Governor General of India in
Council regarding a Railway from
Bimlipatnam to Parvatipur.

BACK PAPERS.

[illegible]

...AND FURTHER PAPERS.

[illegible]

Copy of Resolution passed at a public meeting
held at Bulcipatam on 16th February 1897.

"That this public meeting of the merchants and inhabitants of Buncipalam learns that a concession has been granted by the Secretary of State to Sir Bradford Leslie and Mr H. G. Turner to enable them to form a Company to construct a light railway on the 2' 6" gauge from Buncipalam to Virianagaram and the Government of India have expressed a preference that the contemplated line from Virianagaram to Parvatipur should be on the standard gauge.

This meeting is of opinion that the dislocation of gauges at Virianagaram thereby causing break of bulk of goods at that place will deprive the people of Bimlipatam of the full effect, comfort and convenience which the Railway connection with Virianagaram would otherwise bestow on them and on their trade. They therefore humbly request that the Government of India may be pleased to direct that the line from Bimlipatam to Virianagaram be constructed on the same gauge as the line from Virianagaram to Parvatipur, be it standard or any other gauge and they will as in duty bound ever pray.

(Sd) P. Annadagajapathy Raj
President.

(A true extract)

K. B. Silachalam
Secretary, Railway
Committee, Beindipatam

Bimlipatam
1st March 1897.

To

His Excellency Right Honorable
Earl of Elgin & Lincoln
G.M.S.D., G.M.D.E.
Viceroy and Governor-General of India
in Council.

May it please Your Excellency,

In pursuance of the
enclosed resolution passed at a public meeting
held on 10th February 1897, at Bimlipatam,
I most respectfully beg that Your Excellency may
be pleased to direct that a continuous line of
Railway from Bimlipatam to Parvatipur be
constructed, be it Standard or Metre gauge, as
the dislocation of gauges at Vinjanagarum will
seriously tell upon the convenience and comfort
of the people and the trade of Bimlipatam.

For which act of kindness as in duty bound
shall ever pray.

I most respectfully beg to remain
Your Excellency's most obedt. servant
H. B. Nishachalam
Secretary, Railway Committee.

Pat. 27/2/97

No. 809

VIZAGAPATAM COLLECTOR'S OFFICE.

Dated 6th March 1897.
Impd 10th do -

From

W. O. Hiram Coaru,

Sy Collector,

Vizagapatam District.

To

The Joint Secretary to Government,

Public Works Department,

Railway Branch,

Madras.

SIR,

I have the honor to forward herewith a letter dated 1st instant from the Secretary, Railway Committee, Bimlipatant - addressed to His Excellency the Viceroy and Governor-General of India in Council requesting that a continuous line of Railway from Bimlipatant to Parwatipur be ordered to be constructed, - either of the Standard or Metric Gauge.

I have the honor to be,

Sir
Your most obedient servant

H. B. B. B.

for Sy Collector.

22
27

Letter from the Collector
of Vizagapatam no: 809
dated 6th March 1897.

of Vizagapatam no: 809
dated 6th March 1897.

Circulated in
confirmation of previous
papers..

YLF 16/2/87

75 R

- (1) H.E. the Governor
- (2) Hon: Mr H.W. Bliss C.D.
- (3) Hon: Mr J. Groce C.D.

The Resolution and letter should be sent to the Viceroy with a short note stating the point which the question has now reached in the Madras Govt. Office.

The Collector should be desired to
tell the Chairman that these
documents have been forwarded.

111 R. St 17.3.97

24/3/97. 28
24/3/97

[Faint handwritten notes, possibly "H. H. H."]

16/3/97
17/3/97
18/3/97

Bordighera. Italy.

March 22nd 1897.

Dear Mr. Fowler.

On my arrival here a few days ago
I cleared out my hand bag and in it
I found your letter of the 3rd March
unopened -

It must have been put into the
bag by my servant on the 4th, after
I left the Club, and there it remained
undisturbed -

Please therefore pardon the delay
in answering it.

You ask me to give you my views
on the alternative proposal of a
line to Alameda from Bimlipadam
on a 5'6" gauge -

So far as the wishes and interests
of the merchants and people of
Vizianagram and of the island

7) Department.

CURRENT No. 3095

10

From

G. G. Arbuthnot Esq^r,
Chairman, Chamber
of Commerce
Madras
No.

Dated 24th March 1897

Received 25.3.97

Enclosures

Spare copies

SUBJECT.

Railway line between
Vizianagram and
Bimlipadam

Requesting that the
Secy of State may be
urged to sanction the
construction of a —
on the standard gauge

FURTHER PAPERS.

[illegible][illegible]

MADRAS, 24th March, 1897.

FROM

CHAIRMAN, CHAMBER OF COMMERCE,
MADRAS.

To

P. W. D., RAILWAY BRANCH,
MADRAS.

SIR,

A short time ago it was announced that the Secretary of State for India had sanctioned the construction of a 2' 6" gauge line of railway between Vizianagram and Bimlipatam, and the Chamber has since learned of the dissatisfaction which has been locally expressed at sanction for the construction of a standard gauge line being withheld, as well as a guarantee and other facilities calculated to materially assist in the flotation of a Company to take up the work. The Chamber is at a loss to understand why a break of gauge should have been insisted upon, save on the supposition that it is the desire of the Government of India and the Secretary of State to force traffic to Vizagapatam in order to assist the East Coast Railway and in view of the possibility of a boat harbour being constructed some day at that port.

So far as the proposed boat harbour is concerned, the Chamber considers that there is reason to doubt whether it will ever be constructed unless funds are provided by the State—and this the Government has declined to do. The facilities given to landing and shipping cargo which may result from the boat harbour will not in any way compensate the merchants of the District for the extra cost of the carriage of goods by rail to the harbour and the enhanced dues and shipping charges. Furthermore, Vizagapatam is not nearly so convenient as a shipping port as, and the facilities offered there are much less than at, Bimlipatam. In this connection I have to invite your attention to my letter of the 26th June, 1891, to the letter, dated the 22nd April, 1891, which the Bimlipatam Railway Committee addressed to H. E. the Governor—which represented the opinion of practically the whole mercantile community of the Vizagapatam District—and also to the Memorials addressed to H. E. the Governor in Council in October and November, 1890, by the inhabitants of Bimlipatam and Vizianagram, in which the objections to Vizagapatam as the chief shipping port of the District were clearly set forth. As the Chamber remarked in its letter, the memorialists did not advocate the retention of trade at Bimlipatam because they feared that by its going to Vizagapatam it would pass from their hands into those of others, but because Vizagapatam did not possess the facilities for accommodating the trade of

BACK PAPERS.

[illegible]

FURTHER PAPERS.

[illegible]

The Chamber of Commerce,

MADRAS, 24th March, 1897.

FROM

G. G. ARBUTHNOT, ESQ.,

CHAIRMAN, CHAMBER OF COMMERCE,
MADRAS.

To

THE SECRETARY TO GOVERNMENT.

P. W. D., RAILWAY BRANCH,
MADRAS.

SIR,

A short time ago it was announced that the Secretary of State for India had sanctioned the construction of a 2' 6" gauge line of railway between Vizianagram and Bimlipatam, and the Chamber has since learned of the dissatisfaction which has been locally expressed at sanction for the construction of a standard gauge line being withheld, as well as a guarantee and other facilities calculated to materially assist in the flotation of a Company to take up the work. The Chamber is at a loss to understand why a break of gauge should have been insisted upon, save on the supposition that it is the desire of the Government of India and the Secretary of State to force traffic to Vizagapatam in order to assist the East Coast Railway and in view of the possibility of a boat harbour being constructed some day at that port.

So far as the proposed boat harbour is concerned, the Chamber considers that there is reason to doubt whether it will ever be constructed unless funds are provided by the State—and this the Government has declined to do. The facilities given to landing and shipping cargo which may result from the boat harbour will not in any way compensate the merchants of the District for the extra cost of the carriage of goods by rail to the harbour and the enhanced dues and shipping charges. Furthermore, Vizagapatam is not nearly so convenient as a shipping port as, and the facilities offered there are much less than at, Bimlipatam. In this connection I have to invite your attention to my letter of the 26th June, 1891, to the letter, dated the 22nd April, 1891, which the Bimlipatam Railway Committee addressed to H. E. the Governor—which represented the opinion of practically the whole mercantile community of the Vizagapatam District—and also to the Memorials addressed to H. E. the Governor in Council in October and November, 1890, by the inhabitants of Bimlipatam and Vizianagram, in which the objections to Vizagapatam as the chief shipping port of the District were clearly set forth. As the Chamber remarked in its letter, the memorialists did not advocate the retention of trade at Bimlipatam because they feared that by its going to Vizagapatam it would pass from their hands into those of others, but because Vizagapatam did not possess the facilities for accommodating the trade of

Bimlipatam as well as their own. They foresaw that if trade was turned to Vizagapatam, a good deal of the benefit that the East Coast Railway should undoubtedly do to the trade of the District would be done away with, owing to the inconvenience and expenses of that port. The memorialists added that they already had in their hands all the important portion of the trade at Vizagapatam, and that in asking for the connection of Bimlipatam with the East Coast Railway there was no question of one section of the mercantile interests of the District attempting to obtain an advantage over the other. These arguments of the memorialists are, the Chamber considers, as irrefutable now as when they were advanced, and therefore the Chamber cannot but deplore the decision of the Secretary of State, which, however, it hopes is not irrevocable.

Then as regards the East Coast Railway, its claim to take the whole of the inland traffic appears to be based on a misapprehension of the existing course of trade. Two arteries of traffic intersect each other at Vizianagram—the coast traffic between the North and South, and the inland traffic between the interior and Bimlipatam. These two distinct courses of trade require separate railway facilities—and separate systems were at one time allotted to them, for the East Coast Railway project was quite a different thing to the proposed Raepore-Vizagapatam line. In the Chamber's opinion, the East Coast line ought to be content with what traffic it can obtain from the other systems, and it thinks it is not too much to say that that railway will obtain far more traffic by the great development of trade which is certain to follow extended railway facilities than by endeavouring to procure a monopoly of the carrying trade of the District at the expense of its economical conduct.

Holding these views, therefore, and anxious only for the advancement of the general good of the trade of the District, the Chamber begs to express the hope that the Madras Government will urge upon the Secretary of State the great desirability, in the interests of the District generally, of sanctioning the construction of a line between Vizianagram and Bimlipatam on the standard gauge. The Chamber does not ask that any financial State aid should be given towards the construction of the line—though it considers that such aid should be accorded if desired—for it feels confident that its prospects are so good that the required capital would soon be subscribed publicly, a result which will be difficult if not impossible of accomplishment if a break of gauge is insisted upon.

From every point of view, the Chamber regards Bimlipatam as superior to Vizagapatam as a shipping port, and it trusts, therefore, that its claims to generous consideration will be met by the Secretary of State in the manner suggested.

I have the honour to be,

Sir,

Your most Obedient Servant

George G. Arundel

Chairman.

Public Works (1897) Department.

CURRENT No. 3657

Order

From
The Govt. of India
P. W. D.

No. 546 R.C.

Dated 3rd April 1897

Received 10.4.97

Enclosures 7

Spare copies

SUBJECT.

Railways from Vizian-
agram to Parvatipur
and Bimpipahar
respectively.

Forwarding copies
of correspondence
re: the construction
of light 2'-6" gauge —
for favor of opinion.

FURTHER PAPERS.

[illegible][illegible]

Geoffrey

General Manager, Indian Railways,
Bombay. I am, Sir,
in receipt of your letter of 10th December 1900,
in which you state that you are still willing to proceed
on the basis of the line terms, I am to suggest that you
should, in accordance with the terms of the resolution of
the Government of India, of 10th April 1900,
submit to that Government fresh proposals on the basis of
that resolution.

I am, Sir,
your obedient servant,
(Signed) Horace Dalpole.

I am, Sir,
your obedient servant,
(Signed) Horace Dalpole.

I am, Sir,

(Signed) Horace Dalpole.

P. 112.

10th January 1901.

Sir,

I am directed by the Secretary of State for India
to acknowledge receipt of your letter of 10th December 1900,
in which you state that you are still willing to proceed
on the basis of the line terms, I am to suggest that you
should, in accordance with the terms of the resolution of
the Government of India, of 10th April 1900,
submit to that Government fresh proposals on the basis of
that resolution.

I am, Sir,
your obedient servant,
(Signed) Horace Dalpole.

H. G. Turner Esq.,

Manchester House,

Old Broad Street, E.C. 4.

H. G.

March 11

From

H. G. Turner Esquire,

Madras.

To

The Secretary to the Government of India

Public Works Department,

(Railway)

Calcutta.

Sir,

Referring to the letter from the Under Secretary of State for India to myself No.P.W. 2236 date 13th January 1937, I have the honour to state that on my return to England, and in consultation with Sir Bradford Leslie, I will submit to the Government fresh proposals for the Vizianagram-Parvatipur Railway on the basis of the Resolution of the Government of India No.514 R.C., of 17th April 1936.

In the connection I would remark that if the Vizianagram-Birhipatar line be conceded on the same gauge as the Vizianagram-Parvatipur line there would be very little difficulty in raising the Capital on a Rupee basis.

I have the honour to be,

Sir,

Your most obedient servant.

(Ed.) H.G.Turner.

(12)

March 11

From

H. G. Turner Esquire,

Madras.

To

The Secretary to the Government of India

Public Works Department,

(Railway)

Calcutta.

Sir,

Referring to the letter from the Under Secretary of State for India to myself No.P.W. 2236 date 13th January 1937, I have the honour to state that on my return to England, and in consultation with Sir Bradford Leslie, I will submit to the Government fresh proposals for the Vizianagram-Parvatipur Railway on the basis of the Resolution of the Government of India No.514 R.C., of 17th April 1936.

In the connection I would remark that if the Vizianagram-Birhipatar line be conceded on the same gauge as the Vizianagram-Parvatipur line there would be very little difficulty in raising the Capital on a Rupee basis.

I have the honour to be,

Sir,

Your most obedient servant.

(Ed.) H.G.Turner.

(12)

From

H. G. Turner Esq. M. A.,

M. A. S. S.

To

The Secretary to the Government of India,

Public Works Department, (Railways), 1, Leaden

Madras, the 4th March 1901.

Sir,

In my letter to the Under Secretary of State for India dated 10th December 1900, I had the honour to request that the Government of India might be pleased to communicate with me as to any special terms and conditions regarding the Vizianagaram-Bimlipatam concession while I was in India in January and February.

As I have not been favoured with any communication on the subject and as I am now leaving India, I have the honour to inform the Government that I have commenced the survey of the proposed line between Vizianagaram and Bimlipatam and that the Rajah of Vizianagaram has been so generous as to promise a subsidy of interest towards the line to enable the formation of a company.

During my visit to Vizianagaram and Bimlipatam the merchants of both towns communicated their wishes to me that I should represent to Government their great desire that the Vizianagaram-Bimlipatam branch should be constructed on the same gauge as the Vizianagaram-Parvatipoor branch for which the Government of India have prescribed the standard gauge.

I have represented their wishes to His Excellency the Governor of Madras and to the Chamber of Commerce. Should the proposal meet with the approval of the Government of

India

H. G. T. Esq.,
 The Secretary,
 Public Works Department,
 Old B. Co. Station, London E.C.

[illegible]

2. In 1911 I am to understand that the Government of India are not prepared to alter the branch lines from the Vizianagor-Bombay and branch railway but that they are prepared to allow the same to be constructed on the standard gauge instead of on the 2' 6" gauge, the terms of the concession remaining in other respects unaltered, as set out in the Government of Madras and the decision on the subject will be communicated to you in due course, it being understood that you are at liberty, in the meantime, if it is possible, to proceed with the arrangements in connection with your existing concession for the line on the 2' 6" gauge.

M.L.M.

THE OFFICE,
107 N. 10th St. N.Y.C.

RAIT, A,
N.Y.C.

TO THE MEMBERS OF THE BOARD OF THE
NATIONAL INDIAN COUNCIL.

SIR,

I have the honor to acknowledge the receipt of your letter of the 10th inst., No. 101, I am sorry to hear that you are unable to attend the meeting of the N.I.C. Board on the 15th inst. I am sure that you will be able to attend the meeting of the N.I.C. Board on the 15th inst. I am sure that you will be able to attend the meeting of the N.I.C. Board on the 15th inst.

*
101
101

I am, Sir,
Very truly,
Yours,
George Hamilton.

Your obedient humble servant,

(Sg.)
George Hamilton.

No. 154 R.C.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

RAILWAY CONSTRUCTION.

All communications
should be addressed
to the Secretary.

To

The Joint Secretary to the Government of Madras,
Public Works Department, Railway Branch.

Simla, the 3rd April 1907.

Sir,

In continuation of the Government of India's letter
No. 154 R.C., dated 25th January 1907, I am directed to

-----: forward here-
Despatch No. 5 Railway dated 21st January : with a copy of
1907 and enclosures. : a further
-----: communication

from the Secretary of State for India regarding the

proposals of Sir Bradford B. Ellis and Mr. H. G. T. ...

construction of a railway line from ...

Vijayapuram to Pudukottai and Bangalore ...

I am also directed to ...

-----: ...
B. ... : H. G. T. ...
-----: ...

-----: ...
I am also directed to ...
-----: ...

-----: 1 Inc ...
-----: ...
-----: ...
-----: ...

-----: ...
-----: ...
-----: ...

Government of Madras.

PUBLIC WORKS DEPARTMENT,
RAILWAY BRANCH.

To

THE Chairman, Chamber of CommerceMadras.

189

SIR,

I am directed to acknowledge the receipt of your letter dated the 24th March 1897, on the subject of the gauge of the proposed broad railway between Brindistam and Vizianagaram, and in reply to communicate the following remarks.

2. — Were there no new prospect of the Vizianagaram harbour being improved so as to permit of the substitution of large cargo boats like those in use at Coimbatore and Falmouth in place of the small boats now in use at Vizianagaram, Brindistam, and some other small ports, the Government would not feel justified in opposing the claims of those interested in the trade of Brindistam for a broad gauge connection with Vizianagaram and with the centre of trade lying to the northward, the route for the

Central Province.

3. - As however the prospect of the desired improvement of the port of Vizagapatam appears now to be less remote than heretofore; and as this Government is advised that the results of the improvements that are contemplated, in the shape of cheaper freight, to & from the Vizag, with other ports, cheaper handling charges, & cheaper landing & shipping charges, will more than balance the fees now paid for the advantage which ^{British} merchants would gain from the proposed broad gauge connection of this port with the S.C.R. at Vizianagaram; it is considered that it could be secured at this juncture, by the grant of a broad gauge concession for the British branch, or otherwise, to lessen the chances of the successful formation of a Vizagapatam Harbour Company.

4. - Where harbour improvement at Orissapattana, or the scale contemplated at Vizag, and on the line recommended by experts as being feasible at the latter port, at all possible, the entire question as between the said ports would perhaps assume a different aspect. But as things are, the decision at which this Government has arrived, after much deliberation, seems to His Excellency the Governor in Council to be the only decision which under the circumstances is justifiable.

5. - Should you, on behalf of the Chamber, be in a position to get forward representations bearing the grounds of the opinion which it is proposed to give in regard to the proposed 3' gauge, the Government will be glad to receive them, and I trust I am to assume for that they shall receive the proper consideration.

I have & F.W.S.
25/5/77

No.

Government of Madras.

PUBLIC WORKS DEPARTMENT,
RAILWAY BRANCH.

To

THE Collector of Vizagapatam

189

SIR,

I am directed to acknowledge the receipt of your letter No. 809, dated the 6th March 97, and in reply to inform you that your letter with it

The Chief letter is addressed to the Government of Madras & the Jt. Secy to Govt, i.e., to Mr. Stoop - but does not reply to its subordinates by letter, but by G.O. - The form of the reply should be changed.

I have &

F.W.S.

25/5/77

31/5/77

21/5/77

Public Works (1897) Department.

CURRENT No. 5490

Order

From

The Govt of India
P.W.D.

Telegram No. 910 Re.

Dated 3rd June 1897

Received 4.6.97

Enclosures

Spare copies

SUBJECT.

Mr. Turner's proposals

Requesting to expedite

to the my attention

5 7 4

[illegible][illegible]

Bimblepaten Brand Railway

H. L. The Governor
The Hon. Mr. Blair
The Hon. Mr. Jones.

I hope that your Excellency will understand that I am quite aware that this case is not yet quite ripe for a letter to be drafted. I have however taken the course of drafting the suggested letter, instead of merely writing in great detail, because your Excellency and Hon. General will I think find it easier to modify the drafts, if not approved of in toto, than to convey to me through notes what it is exactly that I am desired to say.

7/15

25/5/17

I have prepared the draft letters.

چند

27-57

If these papers had come
up a fortnight ago, I should

- 1- This case has been a long time in arriving at the Honbls. Messrs. Blair and Goss. The cause has been that two separate bundles of papers on the subject were simultaneously passing between and provided between H. E. the Governor and me. and the notes consequently got a little mixed and I thought it necessary to sort them out in proper order and print them, and also some demi-official correspondence and telegram which helped me in arriving at some of the figures on which my notes were based. See A.
- 2.- I shall endeavor now to summarize the whole case as briefly as possible. so as to obtain definite orders as to the papers to be sent 1st to the Govt. of India and 2^d to the Indian Chamber of Commerce.
- 3.- It will be seen that we have to take action on four letters, marked B, D, N, O.

[illegible][illegible]

Brimleyden Brand Railway

27-5-37
If these vapours had come
up a fortnight ago, I should

3.- It will be seen that we have to take action on four letters, marked B.D.N., O.

The content of these four letters, marked O,
is from the Govt of India. In this letter we are
asked to say whether we advise that the 2'6"
line from Vizianagaram to Brindigatam should
be made under the Railway Act or under
the Mining Act. We are also asked to say
whether there are any special terms or conditions
which we would desire to see embodied in the
Agreement to be entered into with the promoters.
4- But since the date of the receipt of the
letter marked O we received from the Govt of
India the letter marked B, in which we were
informed that the negotiation between Mr.
Turner and the Secy of State had commenced a
new phase (the possible doubling of Mr. Turner's
visit to this country), and we were asked
our opinion as to whether the Vizianagaram
Brindigatam line should be on the standard or
on the 2'6" gauge. Thus it appears that letter
O needs no reply at present. But that we must
answer the letter marked B. When answering
the letter marked B we may, ^{however} briefly refer to the
letter marked O, merely saying that the decision
as to whether the branch should be constructed is
looked under the Ry. Act or under the
Mining Act may most conveniently follow the
decision as to the gauge of the
line, standard or 2'6". In the same reply
to the letter marked B we had better forward
a copy of the letter marked N, and its accompanying

have approved of the reply.
I proposed to submit to India - As
things are, I don't think we can
take the line of there being a pos-
sibility of the Vizianagaram scheme
being taken in hand at an early date.
The whole situation has been changed by
the death of the Maharajah of Vizianagaram.
The P. Secy. seems to think that the Comptroller
Ward's will continue his guarantee to the
Company proposed to be formed for the
construction of the branch harbour. But
how does he know that the C. of W. will
take over the estate? I don't know any-
thing about it, but from what I have
heard should think it improbable that
the C. of W. will have any thing to do with
the estate. Something may be known about
the matter in the R. Secy. - I might say that
made. Supposing, however, that the C. of W.
does take over the estate, how could it
possibly continue the Maharajah's guaran-
tee to the proposed harbour Company? The
Vizianagaram estate does not, so far as
I know, extend to Vizianagaram, ~~and~~ the
where the Maharajah (whom we may
not be) only owns a house or two. On the
other hand, to the best of my belief, the estate
comprises the whole town of Brindigatam
which of the land through which the railway
& Brindigatam would pass, & the C. of W. if
in possession of the estate would therefore
be bound to support the Brindigatam Railway
scheme rather than the ~~2'6"~~ Vizianagaram
harbour scheme. Of course my position may
be all wrong - The Secretary should study
the D. of W. and find out the boundaries
of the Vizianagaram estate. But nothing
it is hardly safe to say - That is that,
now that the Maharajah is dead, we
shall hear much more of Mr. Turner
this summer.
All this, however, does not lead up
to the question of the Govt of India. I merely
show what should not be said. As
to what should be said, I should maintain
most strongly, without any mention of
the probability of an early start of
the work, the immense importance
of the district of a good boat harbour at
Vizianagaram and the consequent advisability of
taking any steps with respect to Brindigatam
which would tend to deter capitalists
from investing in the harbour scheme. I should

therefore oppose the idea of standard
gauge line to Brindigatam. If Mr. Turner
likes to go on with his 2'6" gauge line,
let him do so - But I don't believe that
now that the Maharajah is dead, he
will be able to find the money or that
he shall hear any more of him. On the
other hand, I believe the Vizianagaram
scheme to be a good thing in itself and
I should not be in the least surprised
if Mr. Macpherson, supposing him to be as-
sisted by Govt. in the manner I have already
proposed in a note in the Marine Dept.,
succeeded in floating his company
without the Maharajah's guarantee.
The reply to the Chamber of Commerce
has also been considered - I don't
think it will be at all well to reply as
suggested. In fact we have no right
to publish our views in a matter which
is still under consideration with the
Govt. I should simply acknowledge
the receipt of the Chamber's letter
and say it had been sent on to India.
H. J.
3/5/97

I agree generally with the Hon.
Secy. as to the reply that should
be made to the Govt of India and the
Chamber of Commerce.
We cannot do only as the most
favourable of the Vizianagaram estate,
as the Court of Wards is in
charge of the estate for a long time.
The margin of page 2 of the printed note
H. J.

Under Sec 15 Reg V of 1804 the Court
is empowered where the surplus funds
of an estate are - 1st to improve
the property, 2nd to purchase land, 3rd to
purchase annuities, & I know
of no one who has been advised that it

5- The Madras Chamber of Commerce
letter marked D also needs a reply. I
shall refer to this later.
6- Now if the printed Note has been attached
as proposed, it will be seen that in para 16
at foot of page 4 of the printed note I
have suggested the form of a reply to the
Govt. of India letter marked B. A reference
to the printed form of H. E. the Governor's
Note on page 6 of the printed note, dated 13-5-97,
will show that His Excellency is ready to agree to
the suggestion above referred to about the form of
a reply to India, subject to my arguments
as to the superior advantage of a boat-harbour.
Vizianagaram over the existing Brindigatam, being accurate, as
evidenced by the signature of the Chamber of Commerce.
7- As I am sending this printed Note to
His Excellency before passing it on to the
Members, I may be permitted to suggest that
in view of the very strong antagonism which
exists at Madras to anything being done to
improve the Vizianagaram harbour, it is scarcely to
be expected that my opinion can receive fair
criticism at the hands of the Madras Chamber.
I am somewhat curiously informed with this idea
one day when trying to extract information on
rather connected with freight & shipping facilities
from a member of one of the Madras shipping
firms. So long as he did not suggest that I was

As it is not easy to gather from marginal notes what it is precisely that I am desirous to say in my reply to the letter under reference, I have drafted, for H. B.'s and the Members' correction or approval.

7 ps.

257 37 17

[illegible]

finishing on that paper this time. I was
 they were constructed to designate
 proper regulations as to how fit the
 estate. I am by the papers — I have
 heard nothing officially — but the
 Court of Wards has taken charge,
 but whether it will continue long in
 charge or not I am uncertain. It
 has, as yet, taken charge on
 account of the son who is said to
 have been adopted, but the adoption
 will certainly be contested. If it is
 decided, I believe there is a
 chance it will be the law,
 but I don't know what the law
 is in this case in the eyes of the law.

4612

(R). Form No. 9.

300-16-4-95

PUBLIC WORKS SECRETARIAT,
RAILWAY BRANCH.

Station _____ date 3-6- 1897.

OFFICE NOTE.

U. 4312

From *Offg. Lt. Gen. P. W. D. Ry.*

To *Offg. Secretary. Pres. Dept*

With reference to the words in the Hon. Sec.
Bliss' Note, which I have underlined in red ink.
Fitz S. Johns. I shall be obliged if the Pres. Sept.
will make any remarks Johns that they may be in a
position to make.

7/12

3/6/97

Beyond what is stated in the notes
under G.O. ¹⁰ 2821 dated 4th June 1897,
herewith forwarded in original (the returned),
nothing further known in the R.D.

ag. secretary
5.6.97

TELEGRAM ~~URGENT~~
~~ORDINARY~~
DEFERRED

FROM

To

R.

Works
Simla

5 A. Your telegram 910 R.C.
third instant reply called
for already drafted but
death of Maharajah Vizian-
gram makes alterations ne-
cessary reply probably within
week.

8/6/07

Section,

REFERENCE

-Personal Register

ATION

Ne
a
fina

turned to
ection.

(8)

Form and
sub-
number.
(9)

Date.

(10)

To whom.

(11)

number
and date.
(12)

(13)

Outside
number
and date.
(14)

