

Public Works (1897) Department.

RAILWAY BRANCH.

G.O., No. 964 R.

DATED 12th November 1897

Root

[Despatch Abstract.]

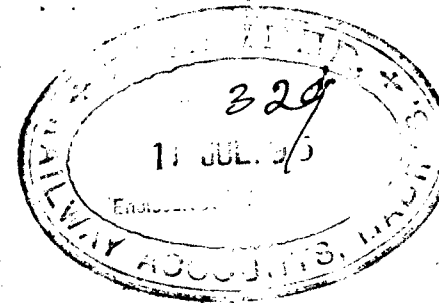
Agreement for working the Mayavaram-Mutupet Railway

Letters from the Government of India approving and confirming the _____ entered into on behalf of the Secretary of State with the South Indian Railway Company and confirming the Schedule of Capital Expenditure incurred at the Tiruvallur and Mayavaram junctions on the Mayavaram-Mutupet Railway. Communicated to the Agent, South Indian Railway, for information.

SERIAL

No. 50

OFFICE OF THE CONSULTING ENGINEER FOR RAILWAYS,
Madras, 10th July 1895.



No. 2205

OFFICE NOTE.

Letter from the Agent, *Government of India* Railway, No. 323 RT
dated 1st July 1895, forwarded to the Examiner of Railway
Accounts, *for favour of remarks.*

[Signature]

for E.R.

chf
EXAMINER'S REPLY.

13/7
As the draft agreement was prepared
by the South Indian Railway Company,
the Agent should be asked to revise the
contract in the light of Government of
India remarks.

2. Agent should also be asked to state
what proposals the Company would suggest
in regard to the matter dealt with in paras
5 and 6 of the Government of India letter.

3. Will you please return the case
for

for Major Wallers perusal after action has been taken as proposed.

12.7.95

MR.

agreements
Jr - 6R 12/7

- I cannot find the words defined in the principal contract - in the Agreement for working the Madras branch of the Villupuram & Arcot S.R. Electric Traction Co. Ltd. which means and include when the said contract is made all receipts for coaching & goods traffic & from telegraphs all sums received as well as all other receipts usually treated as railway revenue.
- (2) The Amendment Voucher means the S.R. and the State R. taken as a whole the intention being that the two R. under the terms of the contract should be worked as if they constituted a single railway.
- para 3. This is wrong to define Cap. Expenditure in the limits of para: perhaps the intention is to define Cap. and Rev. as laid down in the words of the Statute No. 17 of 1864 page 11 of Part II of the Manual.

We may forward India's letter to S.R. and when revised agreement is received send it to Tanjore Local Board.

JH
This may be done but 12/7
I don't think the attention
will be paid and
will not affect the T. L. B.

Railway Department.

Madras, 25th July 1895.

To

A

SERIAL

No. 37

No. 2397 Reply No. , dated

Permit

SIR,

With reference to correspondence ending with your letter No. 911 of 7.9.94. I have the pleasure to forward copy of a letter received from the Govt. of India together with a copy of the Agreement and to request that the latter may be modified as desired by the Govt. of India.

Reminders.

June 2

No. 2397: 39.95

WMM 4/9
issued 5/9

with L.S.C. of agreement.

JH 24/7

26 P

No. 837

South Indian Railway Co., Ltd.
AGENTS' OFFICE,



TRICHINOPOLY, 12th September 1895

From

^{Ag}
THE AGENT,

SOUTH INDIAN RAILWAY,

To

THE CONSULTING ENGINEER

FOR RAILWAYS,

MADRAS.

Sir,

In reply to your letter No. 2397 of the 25th July last regarding the draft agreement for working the Mayavaram Moulipet Railway, I have the honor to inform you that the matter has been referred to the Board of Directors and I shall advise you of the result on receipt of an answer to my reference.

I have the honor to be

Sir

Your most obedient servant

MBS

await-further
communication

Danahogan
Acting Agent

M.L. 22/10

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
	1445	R	23.6.91				
	179	R	21.3.94				
	830	R	29.9.96				
	835	R	2.10.96				
	498	R	24.7.97				
	601	R	27.8.97				
	846	R	25.10.97				
	847	R	25.10.97				

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

D1.
 Yes, it seems
 advisable
 12.6.99
 It is proposed
 to get these papers
 printed.

The manuscript
 will be cleared of all
 loose papers or scraps
 of them from Press

W.L.
 1949

Madras

BACK PAPER			
G.O.	No.	Department.	Date.
	1445	R	23.
	179	R	21.
	830	R	29.
	835	R	2.
	498	R	24.
	601	R	27.
	846	R	25.
	847	R	28.

FURTHER TAX							
G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Government {1897} of Madras.
PUBLIC WORKS.

} 1897.

Spare copies

G.O., No. 964 R., 12th November 1897.

NOVEMBER.

Letters from the Government of India approving and confirming the — entered into on behalf of the Secretary of State with the South Indian Railway Company and confirming the schedule of capital expenditure incurred at the Tiruvalur and Mayavaram junctions on the Mayavaram-Mutupet Railway, communicated to the Agent, South Indian Railway, for information.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read the following paper:—

From—The Secretary to the Government of India, Public Works Department.
To—The Joint Secretary to the Government of Madras, P.W. D., Railway Branch.
Dated—Simla, 11th June 1891, No. 530 R.C.

The undermentioned papers are forwarded to the Joint Secretary to the Government of Madras (Railway Branch), Public Works Department, for information, in continuation of Public Works Department letter No. 348 R.C., dated 15th April 1891.

ENCLOSURES.

From—The Right Honourable Her Majesty's Secretary of State for India.
To—His Excellency the Most Honourable the Governor-General of India in Council.
Dated—India Office, London, 7th May 1891, Railway No. 51.

Telegram from Viceroy, 7th April 1891.

Board of Directors of the South Indian Railway Company propose to make use of second-class rails at Rs. 35 per ton in construction of Mayavaram-Mutupet Railway and offer to work the line, if so constructed, at the same ratio of earnings as cost of working the undertaking plus 5 per cent. for stock. I approve, but want to know what has been arranged about terms with reference to paragraph 4 of your Railway Despatch No. 48 of the 24th April last.

Copy of telegram to Viceroy, 10th April 1891.

South Indian Railway Company have arranged for construction, working and maintenance of Mayavaram-Mutupet Railway on terms stated in your Public Works telegram of 7th instant.

With reference to your Excellency's telegram of the 7th April 1891 and to mine of the 10th idem, quoted in the margin, I transmit, herewith, for the information of your Government, copy of a letter, No. 43 of 9th April 1891, from the Directors of the South Indian Railway Company, from which you will perceive that the Directors have agreed to construct, work and maintain the Mayavaram-Mutupet Railway on the terms mentioned in your telegram of the 7th April 1891.

From—The Managing Director, South Indian Railway Company (Limited).
To—The Under Secretary of State for India.
Dated—55, Gracechurch Street, London, 9th April 1891, No. 43.

With reference to the telegram from the Government of India, which was communicated to the Board by the Government Director on the 7th instant, regarding the construction and working of the Mayavaram-Mutupet Railway, I am instructed to say that the Directors of the South Indian Railway Company (Limited) are glad to learn that the Government have agreed to the use for that line of the 40 lb. rails lately removed from the main line of the South Indian Railway. The company are now prepared to enter into an agreement to work and maintain the line in question on the terms mentioned in their letter to the Agent, dated 31st October last, viz., at the same ratio of expenses as may prevail on the entire system worked by them, in addition to 5 per cent. of the gross earnings for the use of rolling stock.

Order—No. 1445 R., dated 23rd June 1891.

Communicated to the Consulting Engineer for Railways in continuation of Proceedings No. 938 R., dated 23rd April 1891.

Read again the following paper:—

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways.
Dated—Trichinopoly, 21st December 1893, No. 1458.

I have been instructed by the Board of Directors to submit for their approval a draft of the agreement proposed to be made for the working, by the South Indian Railway Company, of the railway between Mayavaram and Mutupet.

The terms of working—the same ratio of working expenses as may prevail on the undertaking, plus 5 per cent. (to cover use of rolling stock) of the gross earnings on the Mayavaram-Mutupet section—have already been agreed upon—see Proceedings of Government, dated 23rd June 1891, No. 1445 R., Public Works.

Will you please let me know if this agreement should be an agreement between the Secretary of State for India in Council and the South Indian Railway Company (Limited), or whether the agreement should be executed by the Tanjore District Board, the Mayavaram-Mutupet Railway being a Local and not an Imperial work.

Order—No. 32 R., dated 15th January 1894.

Ordered that the Government of India be addressed.

From—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
To—The Secretary to the Government of India, Public Works Department.
Dated—Madras, 15th January 1894, No. 33 R.

I am directed to forward herewith, for the orders of the Government of India and for favour of transmission to the Right Honourable the Secretary of State for India, a copy of letter from the Agent, South Indian Railway, No. 1458, dated 21st December 1893, regarding the proposed draft agreement to be made for the working by the South Indian Railway Company of the Mayavaram-Mutupet Railway. The Examiner of Railway Accounts is of opinion that the agreement should be entered into with the Secretary of State for the following reasons:—

- (1) Because the Mayavaram-Mutupet Railway is State property; and
- (2) because the Secretary of State will have to find the moneys required for its working—vide paragraph 47 of the contract entered into with the Secretary of State and the South Indian Railway Company (Limited).

2. I am to state that the Madras Government concurs in the views of the Examiner.

Read also the following paper:—

From—The Secretary to the Government of India, Public Works Department.
To—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
Dated—Simla, 7th March 1894, No. 88 R.T.

I am directed to acknowledge the receipt of your letter No. 33 R., dated the 15th January 1894, forwarding, for the orders of the Government of India, copy of a letter from the Agent of the South Indian Railway Company regarding the agreement to be made for the working by the Company of the Mayavaram-Mutupet Railway.

2. In reply, I am to inform you that the draft of the agreement which the Company's Board of Directors have instructed their Agent to prepare should be drawn up as between the Secretary of State and the South Indian Railway Company, and, when ready, a copy should be forwarded to the Government of India for transmission to the Secretary of State.

Order—No. 179 R., dated 21st March 1894.

Communicated to the Agent, South Indian Railway, with reference to his letter No. 1158, dated 21st December 1893.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways.
Dated—Trichinopoly, 11th April 1894, No. 410.

In compliance with G.O., No. 179 R. of 21st ultimo, I have the honour to forward herewith a draft of an agreement for working the Mayavaram-Mutupet Railway, a copy of which I have this day sent to the Board of Directors.

From—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
To—The Secretary to Government, Local and Municipal Department.
Dated—11th May 1894, No. 135 D.

The following is referred to the Local and Municipal Department for favour of its views:—

In G.O., No. 1445 R., dated 23rd June 1891, it was agreed by the Board of Directors and the Secretary of State that the Railway Company should work and maintain the line in question at the same ratio of expenses as may prevail on the entire system in addition to 5 per cent. of the gross earnings for the use of rolling-stock.

In G.O., No. 179 R., dated 21st March 1894, this Government, in submitting for the orders of the Government of India the question raised by the Agent whether the agreement should be drawn up between the Secretary of State and the South Indian Railway Company or whether it should be executed by the Tanjore District Board, the Mayavaram-Mutupet Railway being a Local and not an Imperial work, concurred in the opinion of the Examiner of Railway Accounts that it should be entered into with the Secretary of State for the following reasons:—

- (1) Because the Mayavaram-Mutupet Railway is State property; and
- (2) because the Secretary of State will have to find the moneys required for its working—vide paragraph 47 of the contract entered into with the Secretary of State and the South Indian Railway Company (Limited).

The Government of India decided that the agreement should be drawn up as between the Secretary of State and the South Indian Railway Company.

It is suggested that the interests of the District Board should be left to the Government of Madras to protect in the draft agreement now to be drawn up which will be forwarded to them before issue.

From—The Consulting Engineer for Railways.
To—The Agent, South Indian Railway.
Dated—Madras, 18th May 1894, No. 1569.

With reference to your letter No. 410, dated 11th April 1894, I have the honour to return the indenture, and to forward herewith additional paragraphs under the heads—

- (1) Provision of funds for capital outlay,
- (2) Police,
- (3) Telegraphs,
- (4) Land,
- (5) Accounts,

which, it is suggested, may be inserted in the draft agreement for working the Mayavaram-Mutupet Railway.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways.
Dated—Trichinopoly, 13th July 1894, No. 719.

Your letter No. 1569 of the 18th May 1894. I forwarded, for the information of the Managing Director, a copy of the additional paragraphs which you suggested might be inserted in the draft agreement of the working of the Mayavaram-Mutupet Railway, and I now attach an extract from Mr. Notman's letter No. 132 of the 22nd ultimo in which he states the Board wishes to be informed whether the agreement shall be executed in India or in England.

Will you please let me hear from you on this point.

ENCLOSURE.

Extract from letter from—The Managing Director.
To—The Agent, South Indian Railway.
Dated—London, 22nd June 1894, No. 132.

Working Agreement, Mayavaram-Mutupet Railway.

In your letter No. 324 are embodied certain clauses which the Consulting Engineer for Railways to the Government of Madras suggests should be added to the proposed agreement, and you ask whether the Directors approve of these additions being made.

You further remark that you presume that the agreement will be executed in London. This view would seem to be supported by the terms of the letter from the Government of India to the Government of Madras contained in G.O., No. 179 R., dated 21st March 1894. To set at rest any doubt on the point, however, the Directors request that you will ascertain and advise them definitely of the desire of the Government in India, whether the agreement shall be executed in India or in England. It appears to the Board that a working agreement of this kind may be concluded in India.

With regard to the suggested additions to the draft the Directors are of opinion that it is undesirable that they should discuss isolated clauses, when in any case, whether the document is to be executed here or in India, the proposed agreement as a whole will come under their consideration on the draft in its entirety being forwarded to them in pursuance of the instructions to that effect contained in Board's letter to you No. 116, dated 24th November 1893.

From—The President, District Board, Tanjore.
To—The Local and Municipal Department.
Dated—Tanjore, 2nd July 1894, Dis. No. 293/D.B.

In returning herewith the papers received with Government endorsement No. 414, dated 1st June 1894, regarding the draft agreement to be drawn up between the Secretary of State and the South Indian Railway Company regarding the working of the Mayavaram-Mutupet Railway, I have the honour to report that the Board accept the suggestion that their interests should be left to the protection of the Government of Madras—Vide enclosed copies of resolution No. 2, dated 30th June 1894, and of my memorandum therein referred to.

ENCLOSURE No. 1.

EXTRACT from the Proceedings of the District Board of Tanjore, dated 30th June 1894.

2. Read—Government memo. No. 414, dated 1st June 1894, referring, for early remarks, a suggestion that the interests of the District Board should be left to the protection of the Government of Madras in the draft agreement to be drawn up between the Secretary of State and the South Indian Railway Company regarding the working of the Mayavaram-Mutupet Railway and President's memo. thereon, dated 30th June 1894.

The Board willingly accepts the suggestion that their interests should be left to the protection of the Government of Madras. The Board invite the consideration of Government to the remarks of the President.

ENCLOSURE No. 2.

PRESIDENT'S Memorandum on Government Memo. No. 414, dated 1st June 1894.

On this subject, I have only two remarks to make—

In G.O., No. 425, Financial, dated 6th June 1891, a proposal was sanctioned to use second-hand rails discarded by the South Indian Railway from various parts of their line in place of the new steel rails originally proposed.

The immediate saving amounted to about 5 lakhs, but from my inspection of the second-hand rails I apprehend that the greater part of them will have to be replaced in four or five years. From paragraph 2 of the note of the Consulting Engineer for Railways, No. 868, read in G.O., No. 3329 L. Mis., dated 19th December 1890, it appears to be understood that the Railway Company is bound to maintain the rails in working order. If this is not insisted on, the laying down of old discarded half-worn-out rails will, I fear, turn out to be quite the reverse of economical.

2. As the railway crosses more than 350 rivers and channels in a locality much exposed to flood, breaches and other damage to the line may not be of rare occurrence and there should be a clear understanding as to the responsibility of the Company to repair all damages from whatever cause arising.

3. I would advise the Board to accept the suggestion that the Board should leave the protection of their interests in the hands of the Madras Government.

Order—Mis. No. 1354 L., dated 23rd July 1894.

The President's letter with its enclosures will be communicated to the Public Works (Railway) Department.

From—The Consulting Engineer for Railways.
To—The Agent, South Indian Railway.
Dated—Ootacamund, 2nd August 1894, No. 91/O.

With reference to your letter No. 719, dated 13th July 1894, I have the honour to inform you that the draft agreement for working the Mayavaram-Mutupet Railway will be prepared here and submitted to you and to the Government of India as directed on your forwarding to me your copy of the draft indenture returned with my letter No. 1569, dated 18th May 1894.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways.
Dated—Trichinopoly, 4th August 1894, No. 807.

Your No. 91/O. of the 2nd instant. I forward herewith the draft indenture returned to me with your letter No. 1569 of the 18th May last.

I wish to ask if provision should be made in this agreement for any payment by the Mayavaram-Mutupet Railway for a percentage rental on the cost of the junction stations at Tiruvallur and Mayavaram.

From—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
To—The Collector, Tanjore District.
Dated—23rd August 1894, No. 852/D.

In view of the peculiar situation of the Mayavaram-Mutupet Railway crossing many rivers and being much exposed to damage and floods, I am directed to invite your attention to the necessity of carrying out the provisions of Act IV of 1886 to guard against damage to the said railway.

From—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
To—The President, District Board, Tanjore.
Dated—24th August 1894, No. 871 D.

In forwarding the printed draft indenture to be entered into between Secretary of State and the South Indian Railway and with reference to your memorandum forwarded with your letter No. 293/D.B. of 2nd July, paragraph 1, I am directed to say that as this line will be regularly inspected by the Consulting Engineer on behalf of Government, its proper upkeep as to rails will thus be safeguarded.

With reference to paragraph 2, I am to say that the South Indian Railway cannot be held responsible for other than ordinary maintenance, and that the expenditure necessary to repair the line when damaged by extraordinary causes will be met by the receipts which are payable to the Government and Local Board in equal shares, and if any additional water-way be provided which is not now in existence, this will be a capital charge in the above proportions.

The Collector of the district will be specially warned to carry out the provisions of Act IV of 1886.

From—The Consulting Engineer for Railways.
To—The Agent, South Indian Railway.
Dated—Ootacamund, 24th August 1894, No. 120/O.

With reference to correspondence ending with your letter No. 807, dated 4th August 1894, I have the honour to forward herewith one copy of the draft agreement for working the Mayavaram-Mutupet Railway for any remarks and return.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways.
Dated—Trichinopoly, 7th September 1894, No. 911.

In returning herewith the draft agreement for working the Mayavaram-Mutupet Railway which accompanied your letter No. 120/O. of the 24th ultimo, I wish to suggest that clause 12, joint stations, should specify how the expenditure referred to in Government of India, Public Works Department Circular X, Railway, dated Simla, 6th July 1894, should be divided between the South Indian Railway and the Mayavaram-Mutupet Railway.

I propose that the $6\frac{1}{2}$ per cent. on the capital outlay of structures and 9 per cent. on the cost of permanent way should be divided between the two systems in proportion to the local traffic of each dealt with at the two junction stations. For the purpose of this division the apportionment of goods and passenger traffic to be reckoned upon the weight of the goods according to the invoices, and that each passenger be taken as equivalent to one-tenth of a ton, no account being taken of coaching traffic other than passenger. This mode of division is adopted in the Dharmavaram joint station agreement.

I shall feel obliged by your letting me have two copies of the draft agreement as submitted to Government.

From—The President, District Board, Tanjore.
To—The Joint Secretary to Government, P.W. Dept., Railway Branch, Ootacamund.
Dated—Vallam, 15th September 1894, Cur. No. 982 D.B.

ABSTRACT.—Stating that the draft agreement will be laid before the next meeting of the District Board to be held on the 29th September 1894.

From—The President, District Board, Tanjore.
To—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
Dated—Vallam, 5th October 1894, No. 982/D.B.

In continuation of my letter No. 982, dated 15th September 1894, I have the honour to forward herewith a copy of the District Board's resolution No. 2, dated 27th September 1894, from which it will be seen that the Board have referred the agreement for the advice of M.R.Ry. S. A. Saminada Aiyar Avargal, the Local Government Pleader. The subject will be again placed before the next meeting and the resolution communicated to you. Meantime, I request you will be good enough to inform me at a very early date, with reference to the closing portion of paragraph 6 of the agreement, "what the percentage of such gross receipts as the traffic on the undertaking is from time to time worked at" is or is likely to be for the information of the Board.

ENCLOSURE.

EXTRACT from the Proceedings of the District Board of Tanjore, dated 27th September 1894.

Read—letter from the Joint Secretary to Government, Public Works Department, Railway Branch, dated 24th August 1894, No. 871 D., forwarding for approval a draft indenture to be entered into between the Secretary of State and the South Indian Railway Company regarding the working of the Mayavaram-Mutupet Railway.

The agreement will be referred to Mr. S. A. Saminada Aiyar for his advice.

From—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
To—The President, District Board, Tanjore.
Dated—Madras, 16th October 1894, No. 3137 C.

I am directed to forward a second proof of the proposed agreement between the Secretary of State and the South Indian Railway for working the Mayavaram-Mutupet Railway and with reference to Proceedings No. 982 of 5th October 1894, to inform you that the percentage of working expenses to gross receipts on the South Indian Railway has been as follows:—

1890	...	...	...	...	...	...	...	...	57.69
1891	...	...	...	...	...	...	...	...	65.50
1892	...	...	...	...	...	...	...	...	63.02
1893	...	...	...	...	...	...	...	...	61.36
Average									61.89

in addition to which will have to be added 5 per cent. of the gross receipts for use of rolling-stock.

I am further desired to ask that your District Board will lose no time in returning the proof with their remarks as the railway has now been opened many months and it is very necessary that the draft agreement should go on to the Secretary of State through the Government of India without further delay.

From—The Collector of Tanjore.
To—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
Dated—Kumbakonam, 24th October 1894, No. 2653/Ver.

With reference to your letter, dated 23rd August 1894, No. 852 D., I have the honour to inform you that there are no private works with regard to which the provisions of Act IV of 1886 should be enforced for the protection of the Mayavaram-Mutupet Railway.

2. The Deputy Collector, Mannargudi, reports that the banks of the rivers Koraiyar, Kilaitangiyar and Markakaraiyar require immediate strengthening in the Tirutturaipundi taluk if the Mayavaram-Mutupet Railway line is not to be damaged. But obviously this work does not come under the provisions of Act IV of 1886.

From—The President, District Board, Tanjore.
To—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
Dated—Tanjore, 30th October 1894, Dis. No. A/D.B.

With reference to the correspondence ending with your No. 3137 C., dated 16th October 1894, I have the honour to forward herewith a copy of the District Board's Resolution, dated 29th October 1894, No. 15, from which it will be seen that the Board have approved and sanctioned the second proof of the draft agreement which is herewith returned.

ENCLOSURE.

EXTRACT from the Proceedings of the District Board of Tanjore, dated 29th October 1894.

Read—letter No. 3137 C., dated 16th October 1894, from the Joint Secretary to Government, Public Works Department, Railway Branch, forwarding, for approval, a second proof of the proposed agreement between the Secretary of State for India and the South Indian Railway for working the Mayavaram-Mutupet Railway and District Board's Resolution, No. 2, dated 27th September 1894, and Government Pleader's letter, dated 21st October 1894.

The agreement is approved and sanctioned.

From—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
To—The Secretary to the Government of India, Public Works Department.
Dated—Madras, 2nd November 1894, No. 3418/C.

I am directed to forward draft agreement as between the Secretary of State in Council for India and the South Indian Railway Company for working the Mayavaram-Mutupet Railway as desired in your letter No. 88/R.T., dated 7th March 1894.

The delay that has taken place in submitting this agreement is due to the Tanjore Local Board having to be consulted, as that Board contributed towards its construction.

I am to draw the special attention of the Government of India to paragraph 12 and to inquire whether the provisions of Circular XII, Railways, dated Simla, 13th August 1889, are correctly interpreted. In this case, the South Indian Railway take a certain percentage of gross earnings for working the Mayavaram-Mutupet Railway and therefore with reference to annexure 2 of the above circular, only interest on outlay appears divisible in this connection. A copy of a letter from the Agent, South Indian Railway, bearing on this subject is forwarded.

From—The Secretary to the Government of India, Public Works Department.
To—The Joint Secretary to the Government of Madras, P.W.D., Railway Branch.
Dated—Simla, 1st July 1895, No. 323 R.T.

With reference to your letter No. 34/8 C., dated the 2nd November 1894, forwarding draft agreement as between the Secretary of State and the South Indian Railway Company for working the Mayavaram-Mutupet Railway together with copy of a letter from the Agent, South Indian Railway, regarding clause 12 of the agreement, I am directed to remark as follows.

2. The agreement requires to be made rather fuller, *e.g.*, there should be a definition to show what "gross receipts" include and the word "undertaking" should also be defined as having the same meaning as in the principal contract.

3. In clause 7, the word "Government" should be "Secretary of State" and this clause should give some definition of what capital expenditure should be held to include, or some reference to the general principles of allocation between Capital and Revenue.

4. Clause 9 is not clearly worded and seems to require revision. It should provide that the payments to the Government Telegraph Department for rent and maintenance shall be charged to working expenses of the joint account and that the telegraph equipment of the line shall be supplied by the Government Telegraph Department and not by the Company.

5. With reference to clause 12, as the South Indian Railway work and maintain the line for a percentage of the gross receipts, there can be no division of joint station expenses in the ordinary sense, and sub-clause (a) will therefore not be required. The only point is whether the South Indian Railway should receive any return by way of interest on capital expended by them at the joint stations for the accommodation of the traffic of the Mayavaram-Mutupet line.

6. Under the agreement for working the Wardha Coal State Railway, the Great Indian Peninsula Railway provide the station at Wardha and quarters for the station staff free of charge, charging interest on capital only on the locomotive premises and dwellings for staff other than station staff. This precedent seems to afford a reasonable basis for settling the charges in such cases. If, however, any appreciable capital expenditure has been incurred by the South Indian Railway at Tiruvalur and Mayavaram stations in providing accommodation for the sole use of the Mayavaram-Mutupet Railway and the South Indian Railway are not willing to forego a charge for interest on the capital cost of the additional station accommodation, it would be simpler either for the Mayavaram-Mutupet line to refund the expenditure incurred or, since it is only the interest on Capital which is involved, to base the charge to the branch line directly on that expenditure, in place of dividing the interest on the whole capital cost of the stations according to the usual method of dividing joint expenses.

7. It is requested that the draft agreement may be revised in the light of the foregoing remarks and then re-submitted for the approval of the Government of India.

From—The Consulting Engineer for Railways.
To—The Agent, South Indian Railway.
Dated—Madras, 25th July 1895, No. 2397.

With reference to correspondence ending with your letter, No. 911 of 7th September 1894, I have the honour to forward copy of a letter received from the Government of India, together with a copy of the agreement, and to request that the latter may be modified as desired by the Government of India.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways.
Dated—Trichinopoly, 28th October 1895, No. 971.

Adverting to correspondence ending with your letter No. 2397 of the 25th July, regarding the draft of the agreement for working the Mayavaram-Mutupet Railway, I have the honour to point out that the inquiry made in my letter No. 719 of the 13th July 1894, as to whether the agreement shall be executed in England or in India still remains unanswered, and to request a reply.

From—The Consulting Engineer for Railways.
To—The Agent, South Indian Railway.
Dated—Madras, 2nd November 1895, No. 3487.

In reply to your letter No. 971, dated 28th October 1895, I have the honour to say that the agreement will have to be resubmitted to India when returned from your Board of Directors. The Government of India will then decide whether it should be executed here or in England.

Please expedite resubmission.

Extract from letter from—The Agent, South Indian Railway.
To—The Board of Directors.
Dated—Trichinopoly, 24th December 1895, No. 461.

Mayavaram-Mutupet Railway Working Agreement.

The Government of India in its letter No. 323 R.T., dated 1st July 1895, desired that the draft agreement for the working, by this Company, of the Mayavaram-Mutupet Railway might be amplified by the inclusion of definitions of "Gross Receipts," "Undertaking," and "Capital Expenditure," also that some reference to the general principles of allocation between Capital and Revenue should be made. The Government of India further considered that the proposed clause 9 was not clearly worded, and that in it provision should be made for payments to the Government Telegraph Department on account of rent and maintenance chargeable against the joint revenue, and for the telegraph equipment of the line being supplied by the Telegraph Department and not by the Company. Finally the Government of India considered that unless the expenditure incurred at Tiruvalur and Mayavaram stations for the sole use of the Mayavaram-Mutupet Railway was considerable, and the South Indian Railway were unwilling to forego the charge for interest, no such charge should be made to the Mayavaram-Mutupet Railway. In the event of this proposal not being accepted it was suggested (1) that the Mayavaram-Mutupet Railway should refund the capital expended; (2) or that the interest charge should be based directly on that expenditure.

There is no objection to the acceptance of the Government of India's proposal for the inclusion of the definitions above referred to, and the following are suggested for insertion as clause 2:—

Throughout this agreement, unless otherwise stated, or unless there is something repugnant in the context, the following terms to have the meanings set against each of them, respectively, viz.—

"The Company" means the South Indian Railway Company (Limited).

"The Undertaking" means the South Indian Railway purchased by the Secretary of State and includes any other railways or parts of railways handed over to, or left in possession of, the Company on the 1st January 1891, or which may be handed over to, or left in possession of, the Company after the aforesaid date, in accordance with the provisions of the principal contract entered into on the 24th November 1890, between the Secretary of State and the Company.

"Gross Receipts" mean and include, when not otherwise stated, all receipts from coaching and goods traffic and from telegraphs, and all sundry receipts usually treated as railway revenue.

"Capital Expenditure" means and includes the cost of new works plant and machinery, and of substantial improvements of, and additions to, old works, permanent-way, plant and machinery, including the cost of any temporary new work, the construction of which is requisite or the construction of a work properly chargeable to Capital—provided nevertheless that any item of expenditure properly chargeable to Capital in accordance with this principle shall, from time to time, if not exceeding Rs. 1,000 be classed as a "Minor Work" and be charged to Revenue within a maximum amount in each half-year of Rs. 15 per open mile of railway—and provided that if at any time the old rails and fastenings originally laid be replaced by new rails and fastenings, the difference in cost between such old and new material shall be borne by Capital—and provided also that no portion of the salaries or allowances of any of the Company's supervising staff, although for the time being employed partly or wholly in directing or superintending work chargeable to Capital, shall, except with the express sanction of the Secretary of State, be charged to Capital, and that no expenses connected with the engagement from England, or with the passage from, or to, England of any person in the Company's service shall be charged to Capital unless such person shall have been specially engaged to carry out work chargeable to Capital and actually employed upon such work.

"Revenue Expenditure" is the same percentage of the gross receipts of the Mayavaram-Mutupet Railway as the Company expend, in accordance with its rules in force from time to time, on working and maintaining the whole of the undertaking, including lines which the Company work and maintain from time to time, with the addition of the cost of any extraordinary casualty that may arise as provided for in clause 3 of this agreement, and a payment for the use of the Company's rolling-stock of a sum of 5 per cent. upon the gross receipts of the Mayavaram-Mutupet Railway for each half-year.

It will be noticed that a definition has been formulated to explain the meaning of the term "The Company". This appears desirable as the expression is of frequent occurrence throughout the contract. I would suggest that the above definitions of Capital and Revenue be retained in the same clause as the other definitions instead of being included in clause 7 of the draft agreement. The matter is not of importance, and it is unlikely that the Government of India will object to this small variation from its instructions.

As regards the requirements of the Government of India in respect to telegraphs, it is to be observed that only the wires outside the station offices have been provided by the Telegraph Department. The signalling apparatus and the station connections were supplied by this Company and charged off to the Capital Account of the Mayavaram-Mutupet Railway, it being considered advisable that the telegraph instruments on the worked line should be exactly the same as those of the undertaking. While deprecating any change being now made the following clause would meet the requirements of the Government of India, if the Board desire to alter the present arrangement.

The Secretary of State may from time to time establish and work such electric telegraphs and telegraphic appliances as he shall think fit on any part or parts of the Mayavaram-Mutupet Railway, and shall, from time to time, allow the Company to have the exclusive use of such electric telegraphs and telegraphic appliances as he shall consider proper to be used by the Company for the purpose of safety or efficiently working the said railway or parts thereof. The Secretary of State shall maintain and keep in good repair, and in good working condition the electric telegraphs and telegraphic appliances of which the Company shall for the time being be allowed to have the use. The Company shall pay, on behalf of the Telegraph Department of Her Majesty's Indian Government into such Government treasury in India as may be appointed by the Secretary of State, such charges as may be fixed by the Secretary of State for the rent, maintenance and inspection of the electric telegraphs and telegraphic appliances of which the Company has been allowed the exclusive use, provided that such charges are not to be in excess of similar charges for the time being in force in the case of State Railway Telegraphs.

In respect to the interest charges on joint stations arrangements and works provided for the exclusive use of the Mayavaram-Mutupet Railway, I do not think that this Company should forego either of these charges. Not knowing the conditions

under which the Wardha Coal State Railway Agreement was framed, I am unable to report in what way it can be accepted as a reasonable precedent for settling the charges at joint stations, but I observe that where interest is charged by the Great Indian Peninsula Railway it is levied at 5, and not $4\frac{1}{2}$ per cent. as is proposed in the draft Agreement under discussion. If the outlay at Wardha station for traffic purposes and traffic dwellings was small it might have been advisable to forego the interest charges on such outlay, as being more than counterbalanced by the extra traffic brought to the parent line, but conditions of this nature cannot be considered as obtaining in connection with the Mayavaram-Mutupet Railway, where it is not improbable that the section between Mayavaram and Tiruvalur, which short-circuits that portion of the undertaking lying between these points, actually results in loss of revenue to the Company.

Leaving out of the question for the present the expenditure on works solely required for the Mayavaram-Mutupet Railway, several joint works such as over-bridges, island platforms, more extensive watering arrangements, &c., would not have been provided but for the construction of the new line, and it hardly seems fair that their cost should be borne entirely by the Capital of the undertaking, thus decreasing the Company's share in the division of surplus profits. There really seems no more reason why Capital expenditure should be incurred by the undertaking on behalf of the Mayavaram-Mutupet Railway at Mayavaram or Tiruvalur than at any other station on the worked line. It has always been understood that the Company should derive some return for the Capital expended at the joint stations, as is instanced by paragraph 4 of the endorsement of the Consulting Engineer for Railways in G.O., No. 2840 R., of 24th November 1892, copy sent with my letter No. 178 of the 28th December 1892.

As regards works provided for the exclusive use of the Mayavaram-Mutupet Railway, as the outlay is considerable, being about Rs. 72,575 the Government of India will doubtless agree to interest charges being levied. It will be simpler to adopt this course than to allow the Mayavaram-Mutupet Railway to refund the Capital outlay, as it avoids a divided ownership of the joint stations.

The following statement shows the total expenditure on (1) the recent additions used exclusively by the South Indian Railway, (2) new works constructed solely for the Mayavaram-Mutupet Railway, and of alterations to original works in consequence of the admission of that line into the stations, (3) original and new works now jointly used. The details working up to the totals given, together with a letter from the Chief Engineer on the subject, have been placed in the post packet:—

Station.	Expenditure on		
	Recent additions for South Indian Railway sole use.	New works and alterations for Mayavaram-Mutupet Railway only.	Original and new works jointly used.
Tiruvalur	Rs. 20,870	Rs. 36,348	Rs. 59,836
Mayavaram	6,324	36,228	87,919
Total	27,194	72,576	1,47,755

The Chief Auditor points out that clause 6 of the draft agreement is incorrect and suggests that the portion beginning—"The Secretary of State shall as soon as the accounts, &c.," be eliminated and the following substituted:—

The Revenue expenditure shall be adjusted in the monthly accounts in accordance with the results of each month's working, and a final adjustment made at the end of each half-year to bring it into accord with the results of that half-year's working.

I shall be glad to receive the orders of the Board on the points raised in connection with this agreement.

Extract from letter from—The Managing Director.
To—The Agent, South Indian Railway.
Dated—London, 10th April 1896, No. 169.

Mayavaram-Mutupet Agreement.

With your letter, No 461, dated 24th December 1895, you forwarded draft agreement for the working by this Company of the Mayavaram-Mutupet Railway, which had been submitted for approval to the Government of India, and you suggested certain amplifications and alterations to meet the criticisms which had been made on the draft by that Government.

The Board have considered your suggestions and have given them their general approval subject to the following remarks.

In the "interpretation of terms" clause it might be desirable to state that unless there is something repugnant in the subject or context, the terms generally where used shall have the same meanings, respectively, as in the Contract between the Secretary of State in Council of India and the South Indian Railway Company, Limited, dated 24th November 1890.

If apart from this general interpretation, it is thought necessary especially to define the expression "the Company" it might be well also to insert a definition of the term "Secretary of State," although both are apparently sufficiently defined in the Preamble that the Indenture is made between the Secretary of State in Council (hereinafter called the "Secretary of State") of the one part and the South Indian Railway Company, Limited (hereinafter called the "Company") of the other part.

Clause 7 of the agreement should be worded so as to introduce "Capital Expenditure" as there is a definition of the meaning of these words, although they do not occur in the draft agreement as it now stands.

The words "Revenue Expenditure" of which it is proposed to add a definition do not occur in the draft agreement. They might be introduced in Clause 5.

With regard to the telegraph equipment of the line, the Board do not desire that the present arrangement should be altered, under which the telegraph instruments are supplied by the Company, with the view that they shall be of identical pattern with those in use on the undertaking. Under the State Railway Telegraph Rules it is not obligatory on the Company to obtain the instruments from the Government Telegraph Department, and from the correspondence which took place in 1892, it will be seen that the Company came under these rules with this express object in view.

The Directors are not disposed to forego the charge for interest on the cost of joint station arrangements and of works provided for the exclusive use of the Mayavaram-Mutupet Railway. In the latter case they think that it will be preferable that the interest should be charged on the capital cost of the additional station accommodation provided, which amounts to the comparatively considerable sum of Rs. 72,576, rather than as alternatively suggested by the Government of India that the Mayavaram-Mutupet line should refund the expenditure in question which would introduce the element of divided ownership of the joint stations which is to be deprecated.

With regard to the rate of interest, which is not of material moment, the Directors, while noting your suggestion that 5 per cent. should be charged, think that the rate named in the draft agreement—4½ per cent.—will be sufficient.

Clause 6 should be amended as suggested by the Chief Auditor in order to bring the procedure into accord with actual practice.

The draft agreement as finally revised should be settled by the Legal Advisers of the Company in Madras, and should then be resubmitted for the approval of the Government of India, a copy being at the same time forwarded to the Board.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways, Madras.
Dated—Trichinopoly, 21st July 1896, No. 637.

With reference to your letter No. 3487 of 2nd November 1895, and in compliance with the instructions conveyed in letter No. 169, dated 10th April 1896, from the Managing Director, I have the honour to re-submit, for the approval of the Government of India, the draft agreement for working the Mayavaram-Mutupet Railway revised in accordance with the orders of the Board.

2. It will be noticed that the Board do not desire that the present arrangement should be altered under which the telegraph instruments are supplied by the Company, and are also not disposed to forego the charge for interest on the cost of joint station arrangements and of works provided for the exclusive use of the Mayavaram-Mutupet Railway. The Board prefer that interest should be charged on the capital cost of works for the sole use of the Mayavaram-Mutupet Railway instead of the expenditure in question being refunded to the South Indian Railway.

3. As the Board appear to have accepted the principles of Circular XII Railway, dated 13th August 1889, in respect to the division of joint charges, the draft agreement now submitted has been framed in accordance with these principles. I would, however, point out that this procedure involves the registration of cross, local and interchanged traffic, a work of considerable labour for past years, and extra work for the future which might be easily avoided if some empirical method of arriving at the Mayavaram-Mutupet Railway share of interest charges on joint works could be arrived at. I am prepared to recommend to the Board that of the total charges at both junctions one-fifth be deducted in consideration of the South Indian Railway through traffic, one-tenth be charged to the Mayavaram-Mutupet Railway for its through traffic at Tiruvalur, and that of the balance the Mayavaram-Mutupet Railway be debited with one-third.

4. Schedules are herewith forwarded giving particulars of the amounts expended on new works and alterations for the Mayavaram-Mutupet Railway only, and on original and new works jointly used. I also send copies of the correspondence which has passed between the Board and myself on the subject of this agreement.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways, Madras.
Dated—Trichinopoly, 23rd July 1896, No. 649.

In continuation of my letter No. 637, dated 21st instant, I have the honour to inform you that I have reason to believe that the Board of Directors would prefer the method of calculating joint charges indicated in the draft agreement for working the Mayavaram-Mutupet Railway to be adopted in preference to the alternative method suggested in my previous letter. The reason for this preference is I believe based on the fear that the suggestion of alterations at this late period may result in further delay which it is desirable to avoid.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways, Madras.
Dated—Trichinopoly, 10th September 1896, No. 830.

I have the honour to inform you that the Mayavaram-Mutupet Railway does not pay any additional contribution from surplus profits to the Provident Fund of the South Indian Railway, and in the draft agreement now under your consideration no provision has been made for such contribution. As the Mayavaram-Mutupet Railway may be considered as a surplus earning line, and as the amounts credited to individual members of the Provident Institution vary inversely to the number of members the charge seems a perfectly fair one. If you agree with me I shall be obliged if you will kindly make the necessary addition to the Mayavaram-Mutupet Railway working agreement.

From—The Joint Secretary to the Government of Madras, P.W. Dept., Ry. Branch.
To—The Secretary to the Government of India, Public Works Department.
Dated—Ootacamund, 29th September 1896, No. 830 R.

With reference to your letter No. 323 R.T., dated 1st July 1895, and subsequent reminders relating to the draft agreement as between the Secretary of State

Draft Agreement.

Extract Agent's letter to Board No. 461, dated 24th December 1895.
Extract Board's letter to Agent No. 169, dated 10th April 1896.
Agent's letter No. 637, dated 21st July, with two statements.

and the South Indian Railway for working the Mayavaram-Mutupet Railway, I am directed to forward for the orders of the Government of India copies of the correspondence noted in the margin.

2. It will be seen that definitions of the words "Undertaking," "Gross Receipts," "Capital Expenditure," "Revenue Expenditure" have been added as requested in paragraphs 2 and 3 of the letter quoted above.

3. Clause 9 is not in accordance with the wishes expressed in paragraph 3 of Government of India letter No. 323 R.T., it has been drafted on the lines laid down by the Board of Directors.

4. Paragraph 12 is not in accordance with the wishes expressed in paragraph 6 of Government of India letter. As will be seen it has been drawn to provide for the Mayavaram-Mutupet Railway being charged not only with interest on the capital cost of works in the sole use of that line but also with a proportionate share of interest on the capital cost of works in joint use by both lines.

5. Even if the principle is admitted of charging the Mayavaram-Mutupet Railway with a share of interest on the cost of joint works the method of division proposed in the draft agreement does not seem an equitable one, as for instance, the proportions of $\frac{1}{3}$ th and $\frac{1}{6}$ th at which the deductions from rental on account of the through traffic of the South Indian Railway and Mayavaram-Mutupet Railway, respectively, have been fixed; but until it is known whether the Government of India is willing to accept the principle of charging the Mayavaram-Mutupet Railway with any share of interest on joint works it seems unnecessary to deal with the method of division proposed in the agreement.

From—The Joint Secretary to the Government of Madras, P.W. Dept., Ry. Branch.
To—The Secretary to the Government of India, Public Works Department.
Dated—2nd October 1896, No. 835 R.

With reference to correspondence ending with my letter No. 830 R., dated 29th September 1896, I am directed to forward a further communication from the Agent, South Indian Railway, No. 830, dated 10th September 1896, proposing the additions of another clause to the Mayavaram-Mutupet agreement.

2. I am to say that there appears to be no objection to the clause contemplated which might, it is suggested, run as follows:—

"For every half-year in which there shall be an excess of net earnings of the Mayavaram-Mutupet Railway over the interest on capital outlay at the rate from time to time in force, a contribution of $\frac{1}{2}$ per cent. of the net earnings of the Mayavaram-Mutupet Railway for such half-year shall, as soon as such net earnings have been ascertained, be paid to the South Indian Railway Provident Institution out of such excess, so far as the amount of such excess shall admit of the same provided that in no case shall the aggregate of such contribution and of the Mayavaram-Mutupet Railway proportion of the contribution included in working expenses for any half-year exceed one per cent. of the net earnings of the Mayavaram-Mutupet Railway for that half-year; nor shall the aggregate contributions to the Provident Institution from all sources for any half-year exceed the aggregate of the obligatory subscriptions made during such half-year."

From—The Secretary to the Government of India, Public Works Department.
To—The Joint Secretary to the Government of Madras, P.W. Dept., Ry. Branch.
Dated—Calcutta, 29th December 1896, No. 983 R.T.

I am directed to acknowledge the receipt of your letters marginally noted forwarding copy of correspondence with the Agent, South Indian Railway Company, together with the draft of an agreement between the Secretary of State and the

South Indian Railway Company, for working the Mayavaram-Mutupet Railway, revised in accordance with the instructions contained in Government of India letter, No. 323 R.T., dated the 1st July 1895, except in regard to the provisions of clauses 9 and 12 which have been drafted on the lines laid down by the Board.

2. In reply I am to state, as regards clause 9, that the Government of India accept the views of the Board that the present arrangement under which the telegraph equipment of the line is supplied by the Company should not be disturbed;

but with reference to the charge for interest, provided in clause 12, on the capital outlay incurred by the South Indian Railway in providing accommodation at the joint stations of Mayavaram and Tiruvalur, I am to say that as the Board are not disposed to forego the charge for a share of the interest on the cost of joint station arrangements and are not prepared to accept a refund of the capital cost of the works provided for the exclusive use of the Mayavaram-Mutupet Railway, the Government of India do not wish to press the matter further for the present and desire that the agreement may now be completed locally in accordance with the Board's proposals.

3. I am to say, however, that the terms proposed by the South Indian Railway Company appear to be less liberal than the Government of India had anticipated that the Board of Directors would think suitable to the circumstances of a branch which brings a very considerable traffic to the parent railway, and I am to request that this may be communicated to the Company's Agent.

4. As regards the additional clause suggested in your letter No. 835 R., dated 2nd October 1896, providing for a contribution to the South Indian Railway Provident Institution out of the surplus profits of the Mayavaram-Mutupet Railway, I am to state that the Government of India consider it preferable that this matter should be arranged for outside the agreement as the terms on which the South Indian Railway agreed to work the line did not provide for any such contribution being made, and there seems no necessity for a stipulation to this effect being embodied in the agreement.

5. I am to request that with the permission of His Excellency the Governor in Council, the Consulting Engineer for Railways, Madras, may be directed to confer with the Agent, South Indian Railway Company, and to complete the draft agreement.

Extract from letter from—The Agent, South Indian Railway.

To—The Board of Directors.

Dated—Trichinopoly, 20th January 1897, No. 517.

Mayavaram-Mutupet Railway Working Agreement.

With reference to the draft agreement and copies of correspondence forwarded with my letter No. 492, I forward in the packet a copy of a letter from the Government of India passing orders on this subject, from which you will see that the wishes of the Board as regards telegraph equipment, clause 9, have been acceded to; and that in respect to the claim for interest charges on the Capital cost of joint station arrangements, the provisions of clause 12 of the draft agreement have been accepted for the present. It will be observed that no reference has been made to the empirical method of calculating these charges as suggested in my letter No. 687, dated 21st July 1896, to the Consulting Engineer for Railways, a copy of which was forwarded to you with my letter No. 492, dated 27th July 1896. This is probably in consequence of my having informed the Consulting Engineer, that in order to avoid delay, I thought the Board would prefer the adoption of the method detailed in the draft agreement.

As regards the proposal to obtain a contribution from the surplus profits of the Mayavaram-Mutupet Railway towards the funds of the South Indian Railway Provident Institution, I shall be glad to know whether the Board approve of the suggestion. The correspondence in connection with this matter is sent herewith.

In regard to the remarks of the Government of India as to the terms being less liberal than anticipated, I have instructed the Chief Auditor to prepare statements for a half-year showing the—

- (1) Increased receipts produced on the South Indian Railway undertaking from traffic originating or terminating on the Mayavaram-Mutupet Railway.
- (2) Reduced receipts due to traffic which would otherwise be sent *via* Tanjore following the Tiruvalur-Mayavaram route, and

on receipt of the statistics, they will be forwarded for the information of the Board.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways, Madras.
Dated—Trichinopoly, 30th March 1897, No. 350.

In reply to your letter, No. 134/1, dated 23rd of March 1897, I have the honour to inform you that as will be seen from the accompanying extract from the managing Director's letter No. 185, dated 26th of February 1897, the Board do not consider it desirable that the Mayavaram-Mutupet Railway should be asked at present to pay any additional contribution to the South Indian Railway Provident Fund. The draft agreement forwarded with my letter No. 637, dated 21st July 1896, can therefore be completed locally, the only alterations necessary being references in clause 12 to the schedules required by the Examiner of Railway Accounts, Madras, in his note dated 7th of January 1897 to be appended to the agreement and the adoption of the final clause for the signature of yourself and myself.

To meet these requirements, I should suggest the following paragraphs:—

- (a) *After first paragraph of Clause 12.*—"Schedule of such works and the capital outlay expended thereon up to 1897 shall be attached to this indenture. Any further capital expenditure which may from time to time be incurred on works used solely for the Mayavaram-Mutupet Railway shall be added to the schedule at the termination of the calendar half-year in which such expenditure has been incurred, and the amount so added shall be included in the total capital expenditure on which rental is to be paid by the said Mayavaram-Mutupet Railway."
- (b) *After second paragraph of Clause 12.*—"A schedule of such works and the capital outlay expended thereon up to 1897 shall be attached to this indenture. Any further capital which may from time to time be incurred on works jointly used by the Company and the Mayavaram-Mutupet Railway shall be added to the schedule at the termination of the calendar half-year in which such expenditure has been incurred and the amount so added shall be included in the total capital expenditure on which rental is to be distributed and debited in the manner above prescribed."
- (c) *In place of the last Clause of the Draft Agreement.*—"In witness whereof Francis J. E. Spring, Esq., Acting Consulting Engineer for Railways, Madras, and Captain A. D. G. Shelley, Royal Engineers, Agent in India, of the South Indian Railway Company, Limited, have hereunto set their hands and seals the date and year to above written."

The schedules referred to in the above note by the Examiner of Railway Accounts, Madras, are under preparation, and I hope shortly to be able to send them for your acceptance.

ENCLOSURE.

Extract from letter from—The Managing Director.
To—The Agent, South Indian Railway.
Dated—London, 26th February 1897, No. 185.

Mayavaram-Mutupet Working Agreement and South Indian Railway Provident Fund.

In reply to your No. 517, the Board do not consider it desirable that the Mayavaram-Mutupet Railway should be asked to pay any additional contribution to the South Indian Provident Fund, no provision for such contribution having been made in the terms agreed upon for working that line. On any revision, however, of the working agreement or in case of new agreements for working other lines, the matter may be again brought forward for consideration.

With regard to the point raised in the correspondence accompanying your letter that although the Provident Fund received for the half-year to 31st December 1895, 1 per cent. of the net earnings of the South Indian Railway, the actual amount charged to that railway was less by Rs. 379, the difference being the Mayavaram-Mutupet and Pondicherry Railways' proportions of the Rs. 12,314 debited in special and miscellaneous expenditure, abstract G, the Board do not think the matter of sufficient importance to disturb the practice hitherto followed.

Extract from letter from—The Agent, South Indian Railway.
To—The Board of Directors.
Dated—Trichinopoly, 31st March 1897, No. 527.

Mayavaram-Mutupet Railway—Working Agreement.

In continuation of the paragraph on this subject in my letter No. 517, dated 20th January 1897, I forward a copy of letter No. A/683, dated 27th March 1897, from the Chief Auditor furnishing the promised statistics for the half-year ended 31st December 1896. I instructed Mr. Simpson when compiling this information to assume that all traffic to or from stations on the Mayavaram-Mutupet Railway was additional traffic which would not have come to the parent line but for the existence of the worked railway. This of course results in the derived traffic from the Mayavaram-Mutupet Railway being shown at a decidedly higher figure than has in reality been realized, for both Mayavaram and Tiruvalur stations must have largely tapped traffic within, say, a ten mile radius, before the opening of worked line. Even with this liberal concession the contention of the Government of India that the Mayavaram-Mutupet Railway brings a very considerable traffic to the parent line is not substantiated. The South Indian Railway during the second half of 1896 derived traffic to the value of Rupees 87,447 from the Mayavaram-Mutupet Railway, and in consequence of the Mayavaram-Tiruvalur chord lost to the extent of Rs. 71,800, the gain in gross earning being only Rs. 15,647. During the last half-year our working expenses were 53.23 per cent. of the gross earning, so that the net earnings derived from the worked branch amounted to Rs. 7,318. For the half-year ended 31st December 1896, the Mayavaram-Mutupet Railway paid Rs. 66,453 to the parent line on account of working expenses. This sum, which works out to Rs. 47 per mile per week, is obviously below actuals, but to what extent I am unable to say, as the accounts of the two lines are not kept sufficiently distinct to admit of the actual working expenses of the Mayavaram-Mutupet Railway being determined. I think however an approximation based on train mileage would not be seriously inaccurate, and on this method of calculation the actuals for the branch line during the last half-year work out to Rs. 85,168 or Rs. 60 per mile per week. On this assumption the financial result to the South Indian Railway of working the Mayavaram-Mutupet Railway for the last half of 1896 would therefore be a net loss of about Rs. 11,000. In these calculations the payment made to us on account of rolling stock has been neglected, as it is not more than sufficient to cover the interest charges on the capital value of the stock employed on the branch line. The reduction of our fixed charges by the share paid by the Mayavaram-Mutupet Railway has also been neglected, as it is considered to be more than compensated for by the South Indian Railway bearing the whole of the interest charges of the capital outlay on Store and Workshop buildings, machinery and suspense balances. I am aware that the estimated loss in working the Mayavaram-Mutupet Railway must be considered as very approximate, but it must be, I think, conceded that this line is not a source of profit to the undertaking. This view is supported by the statement herewith forwarded showing that in a few cases where actuals can be ascertained, they are less than the amounts received from the worked line. I have called attention to the unremunerative character of the Mayavaram-Mutupet Railway so far as the parent line is concerned, not with a view to the modification of the working agreement, but with the object of disproving the contention of the Government of India that the branch line is being ungenerously treated.

From—The Consulting Engineer for Railways.
To—The Agent, South Indian Railway.
Dated—Madras, 13th April 1897, No. 1349.

With reference to your letter No. 350, dated 30th March 1897, I have the honour to forward, herewith, copy of a note thereon by the Examiner of Railway Accounts, Madras, and to request that after the proposals therein have been carried out, the draft agreement may be finally struck off and two signed copies sent to me for signature and transmission to the Government of India.

ENCLOSURE.

NOTE by the Examiner, Guaranteed Railway Accounts, dated Madras, 5th April 1897.

The proposed additions to clause 12 do not seem to be necessary. It will be sufficient if schedules of works are printed and attached to the contract. A note to the following effect being made at foot of the schedules.

"Includes expenditure up to 1897. Any further capital outlay on buildings or works on which interest is chargeable will be added to this list half-yearly as incurred." Otherwise the agreement may be finally approved. The Government of India should be advised with reference to paragraph 4 of their letter No. 983 R.T., dated 29th December last, that the Board do not wish any charge made against the Mayavaram-Mutupet Railway for additional contribution to the Provident Institution.

Extract from letter from—The Agent, South Indian Railway.
To—The Board of Directors.
Dated—Trichinopoly, 21st April 1897, No. 530.

Mayavaram-Mutupet Railway—Working Agreement.

In continuation of the paragraph on this subject in my letter No. 527, dated 31st March 1897, I have placed in the packet copies of the correspondence which has passed between the Consulting Engineer for Railways and myself relative to the completion of the Mayavaram-Mutupet Railway working agreement. The final agreement, a rough copy of which is forwarded by this mail, corresponds with the draft agreement sent to you with my letter No. 492, dated 27th July 1896, except as regards the final clause which is modified to admit of signature in India as desired by the Government of India in its letter No. 983 R.T., dated 29th December 1896. The schedules of the different classes of capital outlay referred to in clause 12 of the agreement, and which at the request of the Examiner of Railway Accounts, Madras, will be appended, are under preparation, and on acceptance by the Government officers will be added to the agreement as desired.

I understand that the Board approve of the working agreement as now submitted, and to its completion in India by myself on behalf of the Company. I shall, however, be glad to receive formal authority by wire to my taking action in conformity with these assumptions.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways, Madras.
Dated—Trichinopoly, 4th June 1897, No. 595.

Referring to the correspondence ending with my telegram of the 1st May 1897 to Ootacamund, I have the honour to inform you that I expect to send you in the course of a day or two signed copies of the Mayavaram-Mutupet Railway working agreement as asked for in your letter No. 1349 of the 13th April 1897. Meanwhile I beg to submit for acceptance the accompanying schedules, A and B, of expenditure incurred in connection with the enlarging of the Tiruvalur and Mayavaram junction stations.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways, Madras.
Dated—Trichinopoly, 19th July 1897, No. 742.

I have the honour to invite attention to my letters Nos. 595 and 612, dated the 4th and 10th June 1897, respectively, regarding the agreement for working the Mayavaram-Mutupet Railway and shall be glad to receive the completed agreement and accepted schedules of expenditure.

From—The Consulting Engineer for Railways, Madras.
To—The Agent, South Indian Railway.
Dated—Ootacamund, 20th July 1897, No. 103/O.

In reply to your letter No. 595, dated 4th June 1897, forwarding schedules A and B of expenditure incurred in connection with junction on the Mayavaram-Mutupet Railway, I have the honour to request that any revenue expenditure therein contained may be eliminated and fresh schedules submitted.

From—The Consulting Engineer for Railways, Madras.
To—The Agent, South Indian Railway.
Dated—Madras, 23rd July 1897, No. 2428.

In reply to your letter No. 742, dated the 19th July 1897, I have the honour to send herewith, duly completed, two copies of the Mayavaram-Mutupet working agreement. I need scarcely explain to you that the Government of India's formal approval of the agreement is necessary under section 50 of the Railway Act. This shall now be sought for.

2. My acceptance of the schedules on which the provisions of clause 12 of the agreement are based is delayed pending a receipt of a reply from you to my No. 103/O. of the 20th July 1897.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways, Madras.
Dated—Trichinopoly, 24th August 1897, No. 860.

In compliance with the request contained in your letter No. 103/O., dated 20th July 1897, I have the honour to forward the schedules of the expenditure incurred at Tiruvalur and Mayavaram in connection with the Mayavaram-Mutupet Railway, the revenue portion of the outlay having been eliminated. At the same time I beg to point out that it is customary in the case of joint works to treat such revenue expenditure as capital for the purpose of calculating joint station charges. This principle has the approval of the Government of India—vide paragraph 1 of its Circular No. XIII Railway of 13th August 1839, and clause vii (b) of the model agreement, enclosure No. 2 thereto.

From—The Joint Secy. to the Govt. of Madras, P.W. Dept., Ry. Branch.
To—The Secretary to the Government of India, Public Works Department.
Dated—Ootacamund, 24th July 1897, No. 498 R.

With reference to your letter No. 983 R.T., dated the 29th December 1896, I am directed to enclose, for favour of formal confirmation, a copy of the agreement which has been entered into on behalf of the Secretary of State with the South Indian Railway Company for working the Mayavaram-Mutupet Railway.

For giving effect to the provision of clause 12 of the agreement, correspondence is proceeding between the Consulting Engineer, Madras, and the Railway Company's Agent in regard to the schedule of capital expenditure at Mayavaram and Tiruvalur junctions. The result shall in due course be communicated to you.

ENCLOSURE.

THIS INDENTURE, made the twenty-second day of July 1897, between the Secretary of State in Council of India of the one part, and the South Indian Railway Company Limited of the other part, WHEREAS under the provision contained in clause 10 of an Indenture dated the 24th day of November 1890 and made between the Secretary of State in Council of India of the one part and the South Indian Railway Company Limited of the other part, the Secretary of State

in Council of India has called upon the said Company to work the line of Railway between Mayavaram and Mutupet. Now THIS INDENTURE WITNESSETH and it is hereby agreed and declared as follows:—

Definition clause.	1. In this agreement, unless there is something repugnant thereto in the subject or context, the following words and expressions shall have the following meanings:—
The Secretary of State.	"The Secretary of State" means the Secretary of State in Council of India.
The Company.	"The Company" means the South Indian Railway Company Limited.
The Mayavaram-Mutupet Railway.	"The Mayavaram-Mutupet Railway" means the line of Railway extending from Mayavaram on the South Indian Railway to Mutupet.
The undertaking.	"The undertaking" means the South Indian Railway, purchased by the Secretary of State, and includes any other Railways or parts of Railways handed over to or left in the possession of the Company on the 1st day of January 1891, or which may have been or may be handed over to or left in the possession of the Company after the aforesaid date, in accordance with the provisions contained in the hereinbefore mentioned contract dated the 24th day of November 1890, and made between the Secretary of State of the one part and the Company of the other part.
Gross receipts.	"Gross receipts" means and includes all receipts from Coaching and Merchandize traffic, and from the carriage of mails, and the use of the telegraphs, and all other sums received in respect of rents and tolls on bridges, and from all other sources the receipts from which are generally treated as revenue on Indian Railways.
Capital expenditure.	"Capital expenditure" means and includes the cost of new works, plant and machinery, and of substantial improvements of, and additions to, old works, permanent way, plant and machinery, including the cost of any temporary new work the construction of which is requisite for the construction of a work properly chargeable to Capital. Provided nevertheless that any item of expenditure properly chargeable to Capital in accordance with this principle shall from time to time, if not exceeding Rs. 1,000, be classed as a "Minor Work" and be charged to Revenue expenditure within a maximum amount in each half-year of Rs. 15 per open mile of Railway, and provided that if at any time the old rails and fastenings originally laid be replaced by new rails and fastenings the difference in cost between such old and new materials shall be borne by Capital, and provided also that no portion of the salaries or allowances of any of the Company's permanent supervising or other administrative Staff although employed for the time being partly or wholly in directing or superintending work chargeable to Capital shall, except with the express sanction of the Secretary of State, be charged to Capital, and that no expenses connected with the engagement or passage from or to England of any person in the Service of the Company shall be charged to Capital unless such person shall have been specially engaged to carry out work chargeable to Capital, and been actually employed upon such work.
Revenue expenditure.	"Revenue expenditure" means and includes the same percentage of the gross receipts of the Mayavaram-Mutupet Railway as that of the gross receipts of the undertaking which the Company shall expend in accordance with its rules in force from time to time on working and maintaining the whole of the undertaking, including any lines which the Company work and maintain from time to time with the addition of the costs of making good any damage affecting the said Mayavaram-Mutupet Railway due to any extraordinary casualty, or otherwise as provided for in clause 2 of this agreement, and also the payment for the use of the Company's rolling-stock of a sum of 5 per cent. upon the gross receipts of the Mayavaram-Mutupet Railway for each half-year as provided for in clause 3 hereof, and with the addition also of all sums to be charged or debited to the Mayavaram-Mutupet Railway on account of the Capital expenditure by the Company at the joint stations as provided for in clause 12 hereof.
Working expenses.	"Working expenses" means and includes the expenses incurred by the Secretary of State, or by the Company with the sanction of the Secretary of State in or about or in connection with the management, maintenance and working of the undertaking and Railways worked and maintained by the Company, with the exception of the costs of making good any damage affecting the Mayavaram-Mutupet Railway due to any extraordinary casualty, or otherwise as provided for in clause 2 hereof, and also the payment for the use of the Company's rolling-stock as provided for in clause 3 hereof, and excluding also all sums to be charged or debited to the Mayavaram-Mutupet Railway on account of the Capital expenditure by the Company at the joint stations as provided for in clause 12 hereof.
Through traffic, South Indian Railway.	"South Indian Railway through traffic" means all traffic of the South Indian Railway between places on the South Indian Railway on either side of Mayavaram or Tiruvalur and therefore only passing through one of those stations.
Through traffic, Mayavaram-Mutupet Railway.	"Mayavaram-Mutupet Railway through traffic" means all traffic of the Mayavaram-Mutupet Railway between places on the Mayavaram-Mutupet Railway on either side of Tiruvalur and therefore only passing through that station.
Cross traffic.	"Cross traffic" means all traffic passing over the Mayavaram-Mutupet Railway but not originating or terminating on that line.
Interchanged traffic.	"Interchanged traffic" as regards Mayavaram junction, means all traffic booked or invoiced between stations other than Mayavaram on the South Indian Railway and other than Mayavaram on the Mayavaram-Mutupet Railway, and as regards Tiruvalur, all traffic booked or invoiced between stations other than Tiruvalur on the South Indian Railway and other than Tiruvalur on the Mayavaram-Mutupet Railway.

17	"South Indian Railway local traffic" means all traffic booked or invoiced between Mayavaram or Tiruvalur and any station on the South Indian Railway.	Local Traffic, South Indian Railway.
18	"Mayavaram-Mutupet Railway local traffic" means all traffic booked or invoiced between Mayavaram or Tiruvalur and any station on the Mayavaram-Mutupet Railway.	Local Traffic, Mayavaram-Mutupet Railway.
2	On and from the 2nd April 1891, the date on which the Mayavaram-Mutupet Railway was opened by the Company for public traffic, the Company shall be deemed to have maintained and shall maintain such railway in good repair and in good working order and condition—Provided always that the costs and expenses of such maintenance shall be borne by the Company so far only as such maintenance shall have been or be necessary to make good damage caused by the ordinary wear and tear incident to the use and working of the said Railway and the works in connection with the same by the Company, and the conveyance of traffic thereon by the Company shall not bear nor be put to any cost or expense and not further or otherwise, and the Company shall not be put to any cost or expense for, or in respect of, any repair, restoration, renewal or replacement necessary to make good any damage that may have occurred to the said Railway and works or any portion thereof, which may have been or be due to extraordinary casualty affecting the said Railway and works, or to any cause other than the ordinary wear and tear of a Railway incident to the use and working thereof and the conveyance of traffic thereon, and to the occurrence of which the Company shall not have in any way contributed by any act, neglect or default of their own.	Maintenance.
3	The Company further undertake to provide sufficient rolling stock for the movement of traffic over the Mayavaram-Mutupet Railway in consideration of the payment of a sum of 5 per cent. upon the gross receipts of the Mayavaram-Mutupet Railway for each half-year.	Rolling stock.
4	The Company shall charge such rates and fares for the carriage of passengers and goods over any portion of the Mayavaram-Mutupet Railway as shall from time to time be agreed upon between the Company and the Secretary of State, such rates and fares not being greater than the maximum rates and fares, nor less than the minimum rates and fares, for the time being respectively in force on the undertaking.	Rates and fares.
5	The Company shall keep, in rupee currency, a distinct and separate account of the gross receipts derived from the working of the Mayavaram-Mutupet Railway—such account shall be made up half-yearly to the 30th day of June, and the 31st day of December in each year, and shall be regularly submitted by the Company to the Secretary of State who may audit the same and correct any error which may be discovered therein. The Company shall also within three calendar months after each of the said half-yearly days, render to the Secretary of State a summary of the said account for the half-year ending on such half-yearly day.	Revenue accounts.
6	The said gross receipts shall, at such times and in such manner as the Secretary of State may from time to time direct, be paid without deduction into any such Treasury of the Government of India as the Secretary of State may approve. The Revenue expenditure shall be adjusted on the monthly accounts of the Mayavaram-Mutupet Railway in accordance with the results of each month's working and a final adjustment made at the end of each half-year to bring it into accord with the result of that half-year's working.	Payment of gross receipts into treasury.
7	The Company shall execute such new works as are chargeable to Capital expenditure in accordance with the provisions contained in clause 1 hereof and as may from time to time be necessary, after having first obtained the sanction of the Secretary of State for so doing and the cost of all such works shall be borne by the Secretary of State in accordance with the last mentioned provisions as to Capital expenditure.	Company to execute new capital works.
8	The Secretary of State shall provide and maintain such a Police force as the Company with the approval of the Secretary of State shall from time to time require. The cost of providing and maintaining this force shall be defrayed in the following manner; that is to say, three-tenths shall be borne by the Secretary of State and the remaining seven-tenths shall be included in working expenses.	Police.
9	The Company shall arrange with the Secretary of State or otherwise for the supply and maintenance of the requisite telegraphs, and the costs of the supply of such telegraphs shall be borne by the Secretary of State, and all payments on account of the rental and maintenance thereof shall be chargeable to working expenses, and the necessary equipment of the telegraph offices at stations together with any additions thereto which may from time to time be found necessary shall be provided, furnished and equipped by the Company at the expense of the Secretary of State.	Telegraphs.
10	The Secretary of State shall provide free of cost for the Company any land that may at any time be required for the purposes of the Mayavaram-Mutupet Railway.	Land.
11	The Company shall record and keep in proper books full and particular accounts of all its transactions and correspondence in any way relating to or affecting the Mayavaram-Mutupet Railway or the business thereof, or any of the matters, or things, included or referred to in this agreement, so as at all times to exhibit fully and truly the state of its affairs in relation thereto in the same manner as prescribed in the aforesaid contract of the 24th day of November 1890, and made between the Secretary of State and the Company.	Books, records and periodical returns.

The Company shall for the above purposes maintain a separate journal and ledger, and shall also furnish all the returns required by Government including the following, viz :—

Weekly—

- (a) Approximate statements of traffic.
- (b) Audited statements of traffic.

Monthly—

- (c) Capital Accounts.
- (d) Return of grants, receipts and expenditure.

Half-yearly—

- (e) Capital and revenue accounts for the half-year.

Yearly—

- (f) Six months' estimates.
- (g) Revised and budget estimates, capital.
- (h) Revised and budget estimates, revenue.
- (i) Finance accounts, capital and revenue.

Interest on Company's Capital outlay at joint stations.

12. The Mayavaram-Mutupet Railway shall be debited with an annual rental or charge of 4½ per cent. per annum upon the total amount of all capital outlay expended by the Company upon buildings, sidings, permanent way, and other works solely used by the said Mayavaram-Mutupet Railway at the joint stations at Mayavaram and Tiruvalur.

There shall also be an annual rental or charge of 4½ per cent. per annum upon the total amount of all capital outlay expended by the Company upon buildings, sidings, permanent way, and other works jointly used by the Company and the Mayavaram-Mutupet Railway at the aforesaid joint stations at Mayavaram and Tiruvalur; and the same shall be distributed and debited as follows:—viz., one-fifth of the said rental or charge shall be treated as the proportion to be borne by the Company in consideration of the South Indian Railway through traffic and one-tenth shall be debited to the Mayavaram-Mutupet Railway in consideration of the Mayavaram-Mutupet Railway through traffic at Tiruvalur, and of the remainder of the said rental or charge there shall be debited to the Mayavaram-Mutupet Railway a share proportional to the weight which its traffic (cross, local and interchanged) bears to the total weight of traffic (cross, local and interchanged) of the said joint stations and the residue shall be treated as the proportion to be borne by the Company in respect of its traffic other than through traffic.

Arbitration.

13. If the Secretary of State and the Company shall fail to agree touching any matter with respect to which their agreement is required by this contract, or if in any case not herein specially provided for any dispute, question, or controversy shall at any time arise between the Secretary of State and the Company touching these presents or any section or thing herein contained, or the construction hereof, or any matter connected with these presents or the operation hereof, or the rights, duties, or liabilities of either party in relation to the premises, then and in every such case the matter as to which the Secretary of State and the Company shall fail to agree, or the matter in difference, as the case may be, shall be referred to two arbitrators, one to be appointed by each party, pursuant to and so as with regard to the mode and consequences of the reference, and in all other respects to conform to the provisions in that behalf contained in the Arbitration Act, 1889, or any subsisting statutory modification thereof.

Termination of contract.

14. This contract shall remain in force until either party gives to the other twelve months' previous notice of their intention to terminate the same, such notice to expire on the 31st day of December in any year.

In witness whereof Francis Joseph Edward Spring, acting for and on behalf of the Secretary of State in Council of India, and Archibald Douglas Graham Shelley, as agent in India for and on behalf of the South Indian Railway Company, Limited, have hereunto set their respective hands and seals the day and year first above written.

Signed, sealed and delivered by the abovenamed
Francis Joseph Edward Spring.

F. J. E. SPRING,
Offg. Joint. Secy., P.W.D., Madras.

Signed, sealed and delivered by the abovenamed
Francis Joseph Edward Spring, acting for and
on behalf of the Secretary of State in Council
of India in the presence of Edmund Augustus
Waller.

Witness.
E. A. WALLER, Major, R.E.,
Exr., Guaranteed Ry. Accts., Madras.

Signed, sealed and delivered by the abovenamed
Archibald Douglas Graham Shelley.

A. D. G. SHELLEY, Capt., R.E.,
Agent, South Indian Railway Company, Ltd.

Signed, sealed and delivered by the abovenamed
Archibald Douglas Graham Shelley, acting for
and on behalf of the South Indian Railway
Company, Limited, in the presence of Herbert
Dent Johnston, Resident Engineer, South
Indian Railway.

Witness.
H. D. JOHNSTON.

From—The Secretary to the Government of India, Public Works Department.
To—The Joint Secretary to the Government of Madras, P.W. Dept., Ry. Branch.
Dated—Simla, the 17th August 1897, No. 643 R.T.

With reference to your letter No. 498 R., dated the 24th July 1897, forwarding a copy of the agreement entered into on behalf of the Secretary of State with the South Indian Railway Company for working the Mayavaram-Mutupet Railway, I am directed to state that the Government of India are pleased to approve and confirm the said agreement, a copy of which will now be transmitted to the Secretary of State.

Order—No. 601 R., dated 27th August 1897.

Communicated to the Agent, South Indian Railway.

From—The Consulting Engineer for Railways, Madras.
To—The Agent, South Indian Railway.
Dated—11th September 1897, No. 2944.

With reference to your letter No. 860, dated 24th August 1897, submitting schedules of the expenditure incurred at Tiruvalur and Mayavaram in connection with the Mayavaram-Mutupet Railway, I have the honour to forward, herewith, copy of a note thereon by the Examiner of Railway Accounts for such remarks as you may wish to offer.

ENCLOSURE.

NOTE by the Examiner, Guaranteed Railway Accounts, dated Madras, 3rd September 1897.

The following points are noticed in checking the lists of capital works :—

MAYAVARAM JUNCTION.

It is not understood how at this station the Mayavaram-Mutupet Railway (a line in one direction) can have signals in exclusive use to the value of Rs. 579, while the South Indian Railway (a through line) has in exclusive use signals to the value of Rs. 231 only—less than half the amount. Also for the same reason how Mayavaram-Mutupet Railway points and crossings in exclusive use amount to Rs. 6,001, while those of the South Indian Railway amount to Rs. 1,598 only. If any part of the cost of South Indian Railway signals and points and crossings is included in the sum of Rs. 21,697, original cost of the station, the amount should be removed from the joint use column and entered in the South Indian Railway column.

The Permanent-way Inspector's bungalow (Rs. 3,841) and office (Rs. 2,321) are shown as in exclusive use of Mayavaram-Mutupet Railway. The South Indian Railway Engineer Department Gazette for August 1897 shows that the Permanent-way Inspector at Tiruvalur has charge also of the Kivalur-Negapatam section of the South Indian Railway. The cost of these buildings should therefore be removed from the Mayavaram-Mutupet Railway column to the joint use column.

While the Mayavaram-Mutupet Railway is shown as in exclusive use of signals to the value of Rs. 934, the South Indian Railway is shown as having no signals whatever in exclusive use. This can hardly be the case.

Agent's remarks regarding revenue works would apply in the case of a foreign line bearing no share of Revenue expenditure, but in the case of the Mayavaram-Mutupet Railway, which, under the system of dividing working expenses in gross earning rates, bears its full share of Revenue expenditure and Revenue new minor works, it would be manifestly unfair to charge the line with interest on the cost of work which it had directly paid for.

From—The Agent, South Indian Railway.
To—The Consulting Engineer for Railways.
Dated—Trichinopoly, 13th October 1897, No. 1017.

With reference to your letter, No. 2944, dated 11th September 1897, forwarding a note by the Examiner of Railway Accounts on the schedules of the expenditure incurred at Tiruvalur and Mayavaram in connection with the Mayavaram-Mutupet Railway, I have the honour to forward amended schedules, and a copy of the Chief Engineer's letter on the subject.

2. With regard to the Examiner's remarks regarding Revenue works, I quite admit his argument in respect to works constructed after the Mayavaram-Mutupet Railway was opened for traffic, but I maintain that the South Indian Railway is not being treated with consideration in respect to the revenue expenditure it had to incur for alterations necessitated by the branch line and to which the latter has not contributed at all in consequence of the expenditure having occurred before the opening of the line.

ENCLOSURES.

From—The Chief Engineer.
To—The Agent, South Indian Railway.
Dated—11th October 1897, No. B/6747—2248.

[Your No. 968/17—2169 of 6th October 1897.]

On a further consideration of the remarks made by the Examiner of Railway Accounts, I think it would be equitable to make certain alterations in the schedule of works at Mayavaram and Tiruvalur stations and I have pleasure to forward amended copies.

MAYAVARAM JUNCTION.

Signals.—Rs. 811-1-1 represents the cost of a distant signal and the addition of an arm to the home signal. As these are exclusively used for the Mayavaram-Mutupet Railway, the whole of the expenditure should be charged to that railway. The cost of the signals put up for South Indian Railway under the original sanction is Rs. 1,752-0-7, and this amount I have deducted from the sum of Rs. 21,697, under "Joint use" and transferred it to "Solely used by South Indian Railway."

Points and Crossings.—Rs. 9,600-1-9, the value of the points and crossings, I propose to deal with in the following manner:—

	Rs.	A.	P.
Solely used by Mayavaram-Mutupet Railway	3,840	0	0
Do. by South Indian Railway	2,560	0	0
Joint use	3,200	1	9
	9,600	1	9

The points and crossings under the old sanction and included in the sum of Rs. 21,697, is distributed as under:—

	Rs.
Solely used by South Indian Railway	1,280
Joint use	5,120
Total	6,400

TIRUVALUR JUNCTION.

Permanent-Way Inspector's Bungalow.—The Inspector being in charge of the Tiruvalur-Negapatam section as well as the Mayavaram-Mutupet Railway, was only a temporary arrangement to see how it worked. It has not proved a success and an Inspector is now confined to the Mayavaram-Mutupet Railway, another being placed in charge of the Negapatam-Tiruvalur section with his head-quarters at Negapatam.

Signals.—The signals charged for at Rs. 1,453-12-9 consists of two distant signals and a home semaphore. The former is exclusively used for the Mayavaram-Mutupet Railway and is debited to that account, the latter serves both railways and is therefore a charge to "Joint use." The cost of the distant signals on the old sanction amounting to Rs. 751 has been deducted from the sum of Rs. 20,672 under "Joint use" and transferred to "Solely used by South Indian Railway." I have not dealt with the remarks of the Examiner regarding the revenue charges.

SOUTH INDIAN RAILWAY.

ENGINEER DEPARTMENT.

Schedule A.

STATEMENT showing the expenditure incurred in the original construction of, and later additions to, Tiruvalur Junction.

Particulars.	Solely used or re-construction necessitated by the Mayavaram-Mutupet Railway.	Solely used by the South Indian Railway.	Jointly used by the South Indian Railway and the Mayavaram-Mutupet Railway.	Total.
<i>Enlarging station arrangements.</i>	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
Land	1,452 13 0	..	3,716 7 5	1,452 13 0
Formation	3,317 9 1	1,475 3 1	1,787 6 3	4,792 12 2
Bridgework	..	1,473 7 0	..	1,787 6 3
Road-crossings	1,820 8 0	..	..	3,293 15 0
Ballast	7,653 13 3	6,382 5 9	1,328 5 8	14,041 3 0
Permanent-way	..	..	533 8 3	1,328 5 8
Waiting shed	..	..	457 0 6	533 8 3
Urinals at east end	..	..	4,789 9 0	457 0 6
Urinals at west end	..	..	11,312 9 7	4,789 9 0
Island platform	..	..	4,275 13 9	11,312 9 7
Covered way	..	..	532 14 7	4,275 13 9
Overbridge	..	..	..	532 14 7
Approaches	..	..	..	..
Permanent-way Inspector's bungalow, out-houses, &c.	3,841 14 4	..	4,826 10 2	3,841 14 4
Water tank	..	..	..	4,826 10 2
Closing existing well and resinking a new well 20 feet diameter	..	..	5,462 11 9	..
Sunshade	..	..	231 7 6	5,462 11 9
Demolishing existing ashpits and water columns and re-building the same at east and west end.	..	..	..	231 7 6
Providing new ashpits and water columns at east and west end	9,149 6 7	..	6,076 13 0	6,076 13 0
42 feet turntable	..	..	2,822 11 5	9,149 6 7
Tank machinery	934 9 4	..	519 3 5	2,822 11 5
Home and distant signals	4,911 15 2	6,139 14 11	..	1,453 12 9
Points and crossings	..	..	82 3 3	4,911 15 2
Station and office furniture	..	..	..	82 3 3
<i>Other works.</i>	..	..	1,215 0 0	1,215 0 0
Stationmaster's bungalow and latrine	..	..	..	1,215 0 0
Steel pale fence between northern compound wall and goods approach	..	233 0 0	..	233 0 0
Store-room and office for the Permanent-way Inspector	2,687 0 0	..	266 0 0	2,687 0 0
Altering station-house	..	..	..	266 0 0
Expenditure incurred in original construction and later additions to Tiruvalur junction station up to 30th June 1889	..	750 0 0	19,923 0 0	20,672 0 0
Total	36,814 8 9	16,453 14 9	70,177 2 4	1,22,445 9 10

Schedule B.

STATEMENT showing the expenditure incurred in the original construction of, and later additions to, Mayavaram Junction station.

Particulars.	Solely used or re-construction necessitated by the Mayavaram-Mutpet Railway.	Solely used by the South Indian Railway.	Jointly used by the South Indian Railway and the Mayavaram-Mutpet Railway.	Total.
<i>Enlarging station arrangements.</i>	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
Land	812 8 9	.. .. .	.. .. .	812 8 9
Formation { Capital	823 15 1	163 10 7	164 10 4	1,150 4 0
Revenue	10 2 11	2 0 6	2 0 8	14 4 0
Road crossings	455 2 0	616 4 6	1,459 1 7	1,459 1 7
Ballast	5,371 4 8	1,298 2 0	70 0 8	1,141 7 2
Permanent-way { Capital	94 7 6	22 13 3	968 4 9	7,535 11 5
Revenue .. .. .	.. .. .	.. .. .	15 4 0	132 8 9
Station-house .. .. .	.. .. .	.. .. .	1,849 10 6	1,849 10 6
Demolishing existing urinals and rebuilding the same at north end .. .. .	.. .. .	.. .. .	1,192 14 6	1,192 14 6
Demolishing existing urinals and re-building the same at south end .. .. .	.. .. .	.. .. .	486 1 7	486 1 7
Island platform .. .. .	.. .. .	.. .. .	8,128 4 6	8,128 4 6
Covered way .. .. .	.. .. .	.. .. .	3,525 5 8	3,525 5 8
Overbridge	691 9 3	.. .. .	5,238 1 5	5,238 1 5
Approaches to staff quarters .. .. .	.. .. .	.. .. .	691 9 3	691 9 3
Quarters for Native drivers, East Indian and Native cleaners	13,746 11 5	.. .. .	.. .. .	13,746 11 5
Engine-shed and Locomotive office .. .. .	.. .. .	.. .. .	19,498 0 2	19,498 0 2
Home and distant signals	811 1 1	.. .. .	811 1 1	811 1 1
Sunshade .. .. .	.. .. .	.. .. .	236 5 3	236 5 3
Providing one stop-cook and lengthening existing discharge drain of north ashpit, demolishing existing ashpit, water column and rebuilding the same at south end, providing ashpit and water column near engine-shed .. .. .	.. .. .	.. .. .	2,661 8 6	2,661 8 6
Tank machinery .. .. .	.. .. .	.. .. .	8,066 11 2	8,066 11 2
Coal stage	3,840 0 0	2,560 0 0	232 14 11	232 14 11
Points and crossings { Capital	105 8 9	63 4 10	3,200 1 9	3,600 1 9
Revenue .. .. .	.. .. .	.. .. .	168 18 7	168 18 7
Closing existing well and resinking a new well	6,455 2 10	.. .. .	1,960 0 9	1,960 0 9
Removing and re-erecting engine turntable .. .. .	.. .. .	.. .. .	6,455 2 10	6,455 2 10
Station and office furniture .. .. .	.. .. .	.. .. .	143 7 1	143 7 1
<i>Other works.</i>				
Steam pump and shed in lieu of double force pump .. .. .	.. .. .	.. .. .	2,779 0 0	2,779 0 0
Converting Permanent-way Inspector's office and stores into running quarters	1,515 0 0	.. .. .	.. .. .	1,515 0 0
Expenditure incurred in original construction of, and later additions to, Mayavaram station up to 30th June 1899 .. .. .	.. .. .	3,032 0 7	18,664 15 6	21,697 0 0
Additional latrine accommodation for Native men and women .. .. .	.. .. .	.. .. .	620 0 0	620 0 0
Erecting fuel stage .. .. .	.. .. .	.. .. .	164 0 0	164 0 0
Store-room and office for Permanent-way Inspector .. .. .	.. .. .	.. .. .	1,568 0 0	1,568 0 0
Permanent-way Inspector's bungalow and out-houses .. .. .	.. .. .	.. .. .	4,364 0 0	4,364 0 0
Sinking at 6-feet well .. .. .	.. .. .	.. .. .	210 0 0	210 0 0
Providing furniture for the officers' rest house .. .. .	.. .. .	.. .. .	327 0 0	327 0 0
Total	34,732 10 3	7,758 4 2	87,693 13 2	1,30,184 11 7

Order—No. 846 R., dated 25th October 1897.

The Government of India will be addressed.

From—The Joint Secretary to the Govt. of Madras, P.W. Dept., Ry. Branch.
To—The Secretary to the Government of India, Public Works Department.
Dated—Madras, 25th October 1897, No. 847 R.

In continuation of my letter, No. 498 R., dated 24th July 1897, I am directed to forward copies of schedules marked A and B of capital expenditure incurred at Tiruvalur and Mayavaram junction stations which have been agreed to between the

Consulting Engineer and the Agent, South Indian Railway Company. The schedules which have been prepared with a view to give effect to the provisions of clause 12 of the agreement for working the Mayavaram-Mutpet Railway are forwarded for favour of formal confirmation.

Read also the following paper:—

From—The Secretary to the Government of India, Public Works Department.
To—The Joint Secretary to the Govt. of Madras, P.W. Dept., Ry. Branch.
Dated—Simla, 3rd November 1897, No. 837 R.T.

With reference to your letter, No. 847 R., dated the 25th October 1897, I am directed to state that the Government of India are pleased to confirm the schedules therewith submitted, showing the capital expenditure that has been incurred at the Tiruvalur and Mayavaram junction stations.

ORDER—No. 964 R., dated 12th November 1897.

Communicated to the Agent, South Indian Railway, for information.

(True Extract.)

FRANCIS J. E. SPRING,
Joint Secretary.

To the Agent, South Indian Railway.
" Examiner, Guaranteed Railway Accounts, Madras.
" Consulting Engineer for Railways.
" Local and Municipal Department.
" Financial Department.

Exd. A. Rangaswamy Aiyangar.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read the following paper:—

Endorsement from the Government of India, Public Works Department (Railway Construction), dated Simla, 11th June 1891, No. 530 R.C.

The undermentioned papers are forwarded to the Joint Secretary to the Government of Madras (Railway Branch), Public Works Department, for information, in continuation of Public Works Department letter No. 348 R.C., dated 15th April 1891.

(By Order.)

(Signed) F. B. HEBBERT,
Offg. Under-Secretary.

ENCLOSURES.

From the Right Honourable Her Majesty's Secretary of State for India, to His Excellency the Most Honourable the Governor-General of India in Council, dated India Office, London, 7th May 1891, Railway No. 51.

Telegram from Viceroy, 7th April 1891.

Board of Directors of the South Indian Railway Company propose to make use of second-class rails at Rs. 35 per ton in construction of Májavaram-Mutpet Railway and offer to work the line, if so constructed, at the same ratio of earnings as cost of working the undertaking plus 5 per cent. for stock. I approve, but want to know what has been arranged about terms with reference to para. 4 of your Railway Despatch No. 48 of the 24th April last.

Copy of telegram to Viceroy, 10th April 1891.

South Indian Railway Company have arranged for construction, working and maintenance of Májavaram-Mutpet Railway on terms stated in your Public Works telegram of 7th instant.

With reference to Your Excellency's telegram of the 7th April 1891 and to mine of the 10th idem, quoted in the margin, I transmit, herewith, for the information of your Government, copy of a letter, No. 43 of 9th April 1891, from the Directors of the South Indian Railway Company, from which you will perceive that the Directors have agreed to construct, work and maintain the Májavaram-Mutpet Railway on the terms mentioned in your telegram of the 7th April 1891.

From the Managing Director, South Indian Railway Company (Limited), to the Under-Secretary of State for India, dated 55, Gracechurch Street, London, 9th April 1891, No. 43.

With reference to the telegram from the Government of India, which was communicated to the Board by the Government Director on the 7th instant, regarding the construction and working of the Májavaram-Mutpet Railway, I am instructed to say that the Directors of the South Indian Railway Company (Limited) are glad to learn that the Government have agreed to the use for that line of the 40 lb. rails lately removed from the main line of the South Indian Railway. The company are now prepared to enter into an agreement to work and maintain the line in question on the terms mentioned in their letter to the Agent, dated 31st October last, viz., at the same ratio of expenses as may prevail on the entire system worked by them, in addition to 5 per cent. of the gross earnings for the use of rolling stock.

2

23RD JUNE 1891, No. 1445 R., PUBLIC WORKS.

ORDER—dated 23rd June 1891, No. 1445 R., Public Works.

Communicated to the Consulting Engineer for Railways in continuation of Proceedings No. 938 R., dated 23rd April 1891.

(True Extract.)

(Signed) W. H. COAKER, Lieut.-Colonel, R.E.,
Offg. Joint Secy. to Govt., P.W.D.,
Railway Branch.To the Consulting Engineer for Railways.
" Examiner, Guaranteed Railway Accounts.
" Financial Department.Exd. A. D. Xavier
Spare Copies

FORM No. 21.

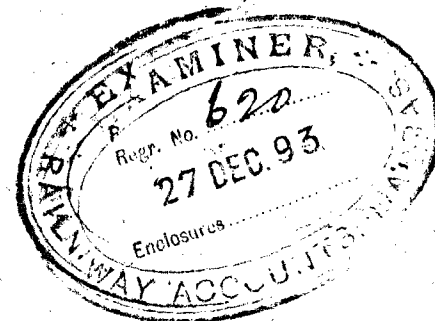
SERIAL

No.

OFFICE OF THE CONSULTING ENGINEER FOR RAILWAYS,
Madras, 22nd December 1893.

No. 27/3

OFFICE NOTE.



Subject Letter from the Agent, South Indian Railway, No. 1458
Agreement for dated 21st December 1893, forwarded to the Examiner of Railway
working M.M.R. Accounts for favor of remarks.

Immanet

for E.R.

EXAMINER'S REPLY.

The agreement should, I think, be entered into with the Secretary of State for the following reasons:

(1) Because the Mayavaram sub-station is State property.

(2) Because the Secretary of State will have to find the money required for its working vide para 47 of the Contract entered into with the Secretary of State and the South Indian Railway Company Limited.

Council
Free
29/12/93
Forwarded to S. of S. Free 4/1/94

27.12.93.

Agent
H. C. R.

21st MARCH 1894, No. 179 R., PUBLIC WORKS.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read again the following paper:—

G.O., dated 15th January 1894, No. 32 R., Public Works.

Read the following paper:—

From the Agent, South Indian Railway, to the Consulting Engineer for Railways, dated Trichinopoly, 21st December 1893, No. 1458.

I have been instructed by the Board of Directors to submit for their approval a draft of the agreement proposed to be made for the working, by the South Indian Railway Company, of the railway between Májavaram and Muttupet.

The terms of working—the same ratio of working expenses as may prevail on the undertaking, *plus* 5 per cent. (to cover use of rolling stock) of the gross earnings on the Májavaram-Muttupet section—have already been agreed upon—see Proceedings of Government, dated 23rd June 1891, No. 1445 R., Public Works.

Will you please let me know if this agreement should be an agreement between the Secretary of State for India in Council and the South Indian Railway Company, Limited, or whether the agreement should be executed by the Tanjore District Board, the Májavaram-Muttupet Railway being a Local and not an Imperial work.

Order—dated 15th January 1894, No. 32 R., Public Works.

Ordered that the Government of India be addressed.

(True Extract.)

(Signed) F. R. UPCOTT,
Joint Secy. to Govt., P.W.D.,
Railway Branch.

Letter—from the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, to the Secretary to the Government of India, Public Works Department, Calcutta, dated 15th January 1894, No. 33 R., Public Works.

I am directed to forward herewith, for the orders of the Government of India and for favour of transmission to the Right Honorable the Secretary of State for India, a copy of letter from the Agent, South Indian Railway, No. 1458, dated 21st December 1893, regarding the proposed draft agreement to be made for the working by the South Indian Railway Company of the Májavaram-Muttupet Railway. The Examiner of Railway Accounts is of opinion that the agreement should be entered into with the Secretary of State for the following reasons:—

- (1) Because the Májavaram-Muttupet Railway is State property, and
 - (2) because the Secretary of State will have to find the moneys required for its working—*vide* paragraph 47 of the contract entered into with the Secretary of State and the South Indian Railway Company, Limited.
2. I am to state that the Madras Government concurs in the views of the Examiner.

Read also the following paper :—

From the Under Secretary to the Government of India, Public Works Department (Railway Traffic), to the Secretary to the Government of Madras, Public Works Department, Railway Branch, dated Simla, 7th March 1894, No. 88 R.T.

I am directed to acknowledge the receipt of your letter No. 33 R., dated the 15th January 1894, forwarding, for the orders of the Government of India, copy of a letter from the Agent of the South Indian Railway Company regarding the agreement to be made for the working by the company of the Májavaram-Muttupet Railway.

2. In reply, I am to inform you that the draft of the agreement which the Company's Board of Directors have instructed their Agent to prepare should be drawn up as between the Secretary of State and the South Indian Railway Company, and, when ready, a copy should be forwarded to the Government of India for transmission to the Secretary of State.

ORDER—dated 21st March 1894, No. 179 R., Public Works.

Communicated to the Agent, South Indian Railway, with reference to his letter No. 1458, dated 21st December 1893.

(True Extract.)

(Signed) F. R. UPCOTT,
Joint Secy. to Govt., P.W.D.,
Railway Branch.

To the Agent, South Indian Railway,
through the Consulting Engineer for Railways.
„ Examiner, Guaranteed Railway Accounts.

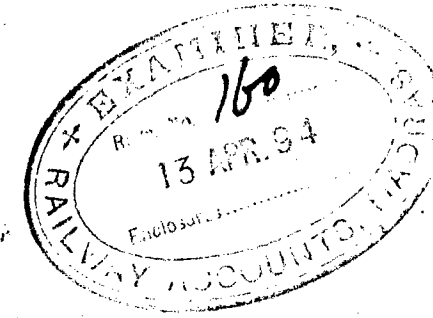
20

OFFICE OF THE CONSULTING ENGINEER FOR RAILWAYS,

Madras, 13th April 1894.

No. 1182

OFFICE NOTE.



Subject

Letter from the Agent, South Indian Railway, No. 410

Draft agreement dated 11th April 1894, forwarded to the Examiner of Railway Accounts for working M.M.R. Accounts for any remarks he may wish to make.

A.B.G. Skellern

Captain R.E.

for E.R.
BGP
134

EXAMINER'S REPLY.

Returned with the following remarks:-

There should be a clause, I think, relating to the provision of funds for capital outlay and another for the cost of providing and maintaining a police force.

The former should be drawn in terms similar to those entered into with the G. I. P. R. Co. for the provision of funds for capital outlay on the lines leased to that Co. (vide para 128 (iii) Chapl. V, page 74 of the Manual sent herewith for information and return) and the latter may be drawn up like clause 14 of the Contract with the East India Co. - see page 189 of the Synopsis of the principal contracts with railways in India also put up.

agromb.
CR 23/4

2/2
Enclosure of instructions for the guidance of the office of the Government Agent, South Indian Railway, Madras.

From

The Agent,

South Indian Railway,

Trichinopoly.

To

The Consulting Engineer for

Railways,

Madras.

Dated
Received

No.

189

ENCLOSURE.

Council

7/4/44
29/4

1. As ordered by the Govt of India the Agreement has been drawn up between the Sec^y of State and the S. I. R. The Agreement is based on clause 10 of the S. I. R. contract under which the Sec^y of State can call on the Company to work a railway upon terms to be specially agreed between the Company and the Authority owning the line with the sanction of the Sec^y of State. Personally I think India's ruling wrong as the Sec^y of State must now sanction an Agreement made by himself, I mention this as perhaps the Sec^y of State may take my view. However we have India's orders which protect us, but CR's statements on which the ruling is based seem incorrect. The MMR is not a State Railway being half local Govt and half Local Fund Board property, also the money for working it will be found I presume by the above authorities, and not by the Secretary of State.

Clause 2 of the proposed Agreement limits the maintenance by the S.I.R. to making good ordinary wear & tear. Nothing is said in regard to the Agency by which new works are to be carried out, or extraordinary repairs to be executed, or how funds for such works are to be provided, or who is to sanction their being done. CR suggests that all Capital expenditure amounting to more than Rs 1000 which under usual rules would be chargeable to Capital should not be borne by the S.I.R., and that the Company should bear the whole capital cost of the Joint Stations, except locomotive premises, and dwelling houses for all depots except station staff. These terms go a long way beyond the S.I.R. proposals. Moreover when we sent forwards the estimates for Joravallu we said the share payable to the S.I.R. by the M.M.R. would be settled in the working agreement. Under CR's proposal the S.I.R. would get nothing.

3. The Company undertake to provide sufficient rolling stock, but nothing is said about the stock provided being in good order, and such improvements as may be necessary being undertaken. As the draft now stands the M.M.R. can be used to get the last work out of stock not considered good enough for the S.I.R.

4. The company are to charge subject to the S.I.R. max & min, such rates as may be agreed with the Govt of State. If the two parties fail to agree on this point who is to decide?

5. The Company propose to keep an account of gross receipts, & summary thereof to be submitted half yearly. I think the accounts kept should be in the usual form, certainly the ordinary Capital and Revenue Accounts should be compiled. I will get CR to add a list of the Accounts he thinks ought to be kept.

6. The final clause re termination of the Agreement is very loosely put. Apparently if notice were given on

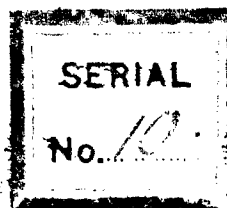
Jan^{2nd} 1895 the agreement would
not terminate until Dec^{31st} 1896
or practically two years from date
of notice.

8. There are several other matters which
have not been touched on in the
Agreement

- a. Telegraph
- b. Postal Service & carriage of Govt. Officials
- c. Land
- d. Police
- e. Running of Trains
- f. Liabilities of the Company in respect
to losses, damages &c. (In clause 2
the Company say what they won't
be responsible for, but do not say
definitely that they will be
responsible for anything)
- g. Rules for allocation of Charges
between Capital and Revenue.
- h. Who is to provide funds.
- i. Right of entry & Govt. Supervision
- j. Arbitration
9. ^{Tanjore} Should the Local Fund Board be
consulted as regards this Agreement.
They have provided half the cost
of the railway.

Done
25/4/94

E. R.



With reference to the foregoing
remarks, I beg to state that I do not
agree that the statements made
by me are incorrect. I am still
of opinion that the Railway is
State property and that the
Secretary of State is responsible
for supplying all the moneys
which the Company would require
to defray expenditure under
their Contract.

2. Although the Govt. of India
would not have been entirely
guided by my statements in
the decision they have arrived
at, yet I would suggest that the
matter be referred back to them
if E. R. has any doubts about
the correctness of the statements
put forward by me, or that the
Judicial Department be consulted
before any further action is
taken on the Working Agreement.

3. As regards the accounts,
there should be a clause directing
that "a separate Journal and
Ledger should be kept and that
the Company should furnish all
the

the returns required by Government
including the following viz: -

- Weekly
- (a) Approximate Statements of traffic
 - (b) Audited Statements of traffic

- Monthly
- (c) Capital Accounts
 - (d) Return of Grants - Forward.

- Half yearly
- (e) Capital and Revenue accts for the half year

- Yearly
- (f) Six months Estimates
 - (g) Revised and Budget Estimates Capital -
 - (h) Revised and Budget Estimates Revenue -
 - (i) Finance Accounts - Capital and Revenue

Agamb
Offg. C. R.
Sec.
26.4.94

5 R.

I submit the rough
draft of agreement for your
perusal. All red ink
entries are important matters.

W
11/5.

I did not intend
the indenture pre-
pared by Agent to be
set aside - but a
separate list of
issues was sent
him with a view
to initiation -

/ Prov. of funds for
Capital outlay.

/ Police

/ Telegraphs

/ Land

/ accounts

File 1594

Mayavaram-Mutpet
Railway

Working Agreement
between
the Secretary of State
and the
South Indian Railway
Company Limited.

Memorandum of
Agreement made this
day of
one thousand eight hundred
and ninety four between
The Secretary of State
in Council ^{of India} hereinafter
referred to as "The Secre-
tary of State" of the
one part and The
South Indian Railway
Company Limited
(hereinafter called "The
Company") of the
other part for the
working and maintenance
of the Mayavaram
Mutpet Railway

Railway (hereinafter called "The Railway") by the South Indian Railway Company Limited.

1. Here enter Clause 1 of the from Kolar Gold Fields Railway Agreement.
2. Whereas under the provision contained in Clause 10 of an Indenture dated the 24th day of November 1890 between the Secretary of State and the Company to work the railway, it is hereby agreed and declared as follows:-
3. Here enter Clauses 2, 5 and 7 (a & b) of Kolar Gold Fields Railway Agreement for para 2 of South Indian Railway draft agreement.
4. Here enter Clause 8 of Kolar Gold Fields Railway Agreement for para 3 of South Indian Railway Agreement and add "The Company shall see that the working stock provided

Rates and Fares

is in good order and that such improvements as may be necessary being undertaken."

5. The Company shall charge such rates and fares for the carriage of passengers and goods over the whole or any portion of the said railway as shall from time to time be agreed upon between the Company and the Secretary of State, not being greater than the maximum rates and fares, nor less than the minimum rates and fares for the time being respectively in force on the South Indian Railway.

Telegraphs

6. Here enter clause 10 of Kolar Gold Fields Railway Agreement.

As to services rendered to Secretary of State (Postal Service &c)

7. Clause 33 to 36 of the South Indian Railway Contract of 1890 to apply to the railway

8. Here enter Clause 4 of Kolar Gold Fields Railway Agreement

Land

9. Clauses 20 to 22 of South Indian Railway Contract of 1890 to apply

Police

10. Here enter Clause 9 of Kolar Gold Fields Railway Agreement

Running of trains

11. Insert Clause 13 a & b of the Kolar Gold Fields Railway Agreement for Clause 5 of proposed agreement

Accounts

The Company shall maintain a separate Journal and Ledger and should also furnish all the returns required by Government including the following viz:-

Weekly

(a) Approximate statements of traffic

(b) Audited statements of traffic

Monthly

(c) Capital Accounts

(d) Return of Grants. Form D.

Half

Half yearly

(e) Capital and Revenue Accounts for the half year

Yearly

(f) Six months Estimates

(g) Revised and Budget Estimates. Capital

(h) Revised and Budget Estimate. Revenue

(i) Finance Accounts.

Capital and Revenue

Remuneration to the 12. Company

Insert Clause 14 a & c of Kolar Gold Fields Railway Agreement for Clause 6 of proposed agreement

Rules for allocation 13. of charges between Capital and Revenue

To be decided by the Government. Examiner of Guaranteed Railway Accounts vide Clause 1 f & g of Kolar Gold

Supply of Funds 14.

As per Clause 47 of the South Indian Railway Contract of 1890.

Right of entry, Govern- 15. ment supervision &c

Here enter Clauses 17 and 18 of Kolar Gold Fields Railway Agreement

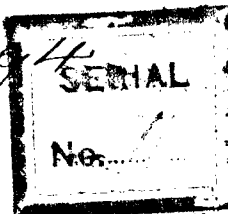
Termination of
Agreement.

Arbitration

Sanction

16. Here enter Clause 3 of Kolar Gold Fields Railway Agreement for para 7 of proposed South Indian Railway agreement.
17. In the event of any difference of opinion arising upon any terms of this agreement between the Secretary of State and the Company the matter shall be referred to two arbitrators one to be appointed by each party whose decision shall be final and binding to all parties.
18. The agreement is to be subject to the sanction of the Board of Directors of the Company.

Public Works Department
Railway Branch
11th May 1894



No 135 D

The following is referred to the Local and Municipal Department for favor of its views on the proposed draft agreement for the working of the South Indian Railway Company of the Mayavaram Branch Railway.

In G. O. 1445 R, dated 23rd June 1891, it was agreed by the Board of Directors & the Secretary of State that the Railway Company should work and maintain the line in question at the same rates of expenses as may prevail on the entire system in addition to 5 per cent. of the gross earnings for the use of rolling stock.

In G. O. 179 R, dated
21st March 1894 this
Government, in submitting
for the orders of the Govt.
of India the question posed
by the Agent whether the
Agreement should be drawn
up between the Secretary
of State & the S. I. Railway
Company or whether it
should be executed by
the Tanjore District Board,
the Mayavaram. Muntel
Railway being a local
and not an Imperial work,
concerned in the opinion
of the Examiners of Railway
Accounts that it should
be entered into with the
Secretary of State for the
following reasons:-

- (1) Because the Mayavaram
Muntel Railway is State
property and
- (2) because the Secretary
of State will have to
find the money required
for its working - vide
paragraph

It is suggested that
the District Board
should be left to the
port of measure to act
protected in the draft
agreement now being
drawn up.

Will
1/2 94

which will be forwarded
to them before issue from

The paper need not
be paper need go into
this and answer as in
the whole full field line
should be inserted or
sent to report for the
consideration

Will
1/2 94

paragraph 47 of the
Contract entered into with
the Secretary of State and
the South Indian Railway
Company Limited. -

The Govt. of India decided
that the Agreement should
be drawn up as between
the Secretary of State and the
South Indian Railway Company.

The draft agreement is
now submitted & the Examiner
is still of opinion that the
railway is State property
& that the Secretary of State
is responsible for supplying
all money which the Com-
pany would require to defray
expenditure under their
Contract..

The Deputy Consulting
Engineer is, however, of a different
opinion. He states that
the Mayavaram. Muntel
Railway is not a State
Railway being half Local
Government and half Local
Fund Board property, also

48

the money for working it
will, ~~the~~ presume, be
found by the above
authorities, and not by
the Secretary of State. —
In his note (attached),
he deals with other
points in the draft
agreement which require
attention. —

Joint Secretary to Govt. of Mad.
Railway Branch

To
The Local & Municipal
with all papers in
original (to be returned)

Form No. 7.

MADRAS,

18th May 1894

To

SERIAL
No. 12

Agent, S. I. R.

Print

No. 1569 Reply No. 719, dated 13-7-94

SIR,

With reference
to your letter No. 410,
dated 11th April 1894,

I have the honor to
return the indentures &c.
forward herewith additional
pages under the heads.

1. Provision of funds for
Capital outlay
2. Police
3. Telegraphs
4. Land
5. Accounts

which, it is suggested, may
be inserted in the draft
agreement for working
the Mazavaram - Ambur
Railway. — From 16
5-94

Subject.

South Indian Railway.

Extract from letter from the Managing Director, to the Agent, dated London 22nd June 1894, No 132.

Working Agreement. Mayavaram
Mettur Railway.

In your letter No 324, are embodied certain clauses which the Consulting Engineer for Railways to the Government of Madras suggests should be added to the proposed Agreement, and you ask whether the Directors approve of these additions being made.

You further remark that you presume that the Agreement will be executed in London. This view would seem to be supported by the terms of the Letter from the Government of India to the Government of Madras contained in G. O. 21st March 1894 No 179. R. To set at rest any doubt on the point, however, the Directors request that you will ascertain and advise them definitely of the desire of the Government in India, whether the Agreement shall be executed in India or in England. It appears to the Board that a working Agreement of this kind may be concluded in India.

With regard to the suggested additions to the draft the Directors are of opinion that it is undesirable that they should

should discuss isolated clauses, when in any case, whether the document is to be executed here or in India, the proposed Agreement as a whole will come under their consideration on the draft in its entirety being forwarded to them in pursuance of the instructions to that effect contained in Board's letter to you No. 116, 24th November, 1893.

Trichinopoly } as Superintending Engineer
Agents Office }
11th July 1894 }
you ask whether the Directors approve of these additions being made.

It is further remitted that you see to it that the agreement will be executed in London, this view would seem to be implied by the terms of the agreement of the Government of India in the Government of India dated 21st March 1894 No. 177. It is not without doubt on the point, however, and I therefore request that you will be guided by the advice given by the Government of India of the Government of India. The agreement shall be executed in India or in England at 8 5 p. It is further remitted that a working agreement may be concluded in India, and that the Directors are of opinion that the agreement should be executed in India.

No. 719

South Indian Railway Co., Ltd.

AGENT'S OFFICE,

TRICHINOPOLY,

1417/94
Hopes

From

The Agent,

SOUTH INDIAN RAILWAY.

To

The CONSULTING ENGINEER FOR RAILWAYS,

MADRAS.

Sir,

Your letter No 1569 of the 1st May, 1894. I forwarded for the information of the Managing Director a copy of the additional paragraphs which you suggested might be inserted in the draft Agreement of the working of the Mayavaram Mutupet Railway, and I now attach an extract from Mr. Notman's letter No 132 of the 22nd ultimo in which he states the Board wishes to be informed whether the Agreement shall be executed in India or in England.

Will you please let me hear from you on this point.

I have the honor to be,

1 Enclosure

Sir
Your most obedient Servant
William Beth
Agent

South Indian Railway

Extract from the letter of the Agent, dated 13th July 1894, to the Consulting Engineer for Railways, Madras.

13076

132 of 1894

719 15-7-94

Working Agreement

South Indian Railway

In your letter of 24th July, 1894, are enclosed certain clauses which the Government of India for Railways to the Government of Madras suggested should be added to the proposed Agreement, and you ask whether the Director approves of these additions being made.

I am further to inform that you have been informed that the Agreement will be executed in England. This was moved by the Government of India to be supported by the Government of Madras. The letter from the Government of India to the Government of Madras is contained in D.O. No. 132 of the 22nd ultimo. It is at first and last on the point, however, the Director requests that you will ascertain and advise them of the result of the Government of India's decision. Whether the Agreement shall be executed in India or in England. It appears to the Board that a working Agreement of this kind may be concluded in India. I have to report to the Director that the draft of the Agreement is in the hands of the Director and it is undesirable that any further delay should be made.

3076

Received }
Dated }
No. 189
ENCLOSURE.

From
THE AGENT,
South Indian Railway,
Trichinopoly,
To
THE CONSULTING ENGINEER FOR
RAILWAYS,
Madras.

No. 2469 Cd/18 July 1894

C / P. W. D., Railway Mount
Memo



The undersigned has
the honor to request the
favor of an early reply
to this office endorsement
No. 135 D of 11th Mar 1894

Noted
16/7/94
DR.

The Local Municipal
Dept. 4/7/97

The following additional parts are proposed for insertion in the draft agreement for working the Mayavaram-Madurai Railway

7. Provision of funds for Capital Outlay. - The Company shall execute such new works as may from time to time be necessary after having first obtained the sanction of the Government for so doing, the cost of all such works to be paid by the Government.

8. Police. - The Secretary of State shall provide and maintain such a Police force as the Company with the sanction of the Secretary of State, shall from time to time require. The cost of providing and maintaining this force shall be defrayed in the following manner; that is to say, three-tenths shall be borne by the Secretary of State & the remaining seven-tenths shall be included in working expenses.

Telegraphs - The Company shall arrange, with the Secretary of State or otherwise for the supply and maintenance of the requisite telegraphs and payments on account of rental and maintenance shall form part of the Company's Railway system, and the Maypoorani. Intertel Railway; and the necessary equipment of the telegraph offices at stations together with any additions thereto which may from time to time be found necessary shall be provided, furnished and equipped by the Company at the expense of the Secretary of State.

Land - The Secretary of State may provide for the Company any land that may at any time be required by the Maypoorani. Intertel Ry.

Accounts - The Company shall record and keep in proper books full and particular

particular accounts of all its transactions and correspondence in any way relating to or affecting the Maypoorani. Intertel Railway or the business thereof, or any other matters, or things, included, or referred to in this Agreement, so as at all times to exhibit fully and truly the state of its affairs in relation thereto in the same manner as prescribed in its Contract with the Secretary of State.

The Company shall for the above purposes maintain a separate Journal and Ledger and shall also furnish all the returns required by Government including the following:-

Weekly (a) Approximate statements of traffic.

(b) Audited Statements of Traffic.

Monthly

(c) Capital Accounts

(d) Return of profits Form D.

Half Yearly

(c) Capital and Revenue Accounts
for the half year

Yearly

(f) Six months Estimates

(g) Revised Budget Estimates -
Capital

(h) Revised Budget Estimates -
Revenue -

(i) Finance Accounts Capital
and Revenue -

Joint stations - Tiruvallur and Mayavaram
an annual rent of (6) per cent
on the capital cost of structures to cover
interest & maintenance and of (9) per cent
on the running and permanent way shall be
charged by the Company for the use of the
above stations -

7/11/94

14
2/94

The allocation of expenditures at the
joint stations to be in accordance
with Circular X R No 1111 of 24/94

7/11/94

20
2/94

15/11/94

15/11/94

5605

Govt. of Madras.

Local and Municipal Department.

SERIAL

No. 15

To

The Public Works Department
(Railway Branch).

Recd: 27-7-94

Proceedings, dated 23 July 1894,
No. 1354 L.H.S.

Subject.

Communicating to the Public
Works (Ry) Dept. letter from the
Presdt. of Board Tanjore reporting
that the Board accept the suggestion
that their interests should be left
to the protection of the Govt. of
Madras in the draft agreement
to be drawn up regarding the
working of the Mayavaram
Bustapet Railway

Ob 38/3 circ. 30-2-94
H E 7/9

Local and Municipal Department.



PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following papers:—

87 From the Public Works Department, dated 11 May 1894, No. 135,
a suggestion
referring for remarks that the interests of the Tanjore district
board should be left to the protection of the Govt. of Madras
in the draft agreement now to be drawn up between the
Secretary of State and the S. I. Railway Company regarding the
working of the Mayavaram Muthupet Railway.

From the President, district board, Tanjore, dated 2nd July 1894.

Dis. No. $\frac{293}{25}$.

9 0 In returning herewith the papers received with
Government endorsement $\frac{1644}{1-8-94}$ regarding the draft agreement
to be drawn up between the Secretary of State and the South
Indian Railway Company regarding the working of the
Mayavaram Muthupet Railway, I have the honor to report
that the board accept the suggestion that their interests should
be left to the protection of the Government of Madras. With
enclosed copies of resolution $\frac{No. 2}{30-8-94}$ and of my memorandum
therein referred to.

Enclosure

Enclosures

Extract from the Proceedings of the district board of Tanjore,
dated 30th June 1894.

Present.

2. Read Govt. Memo. No. 414 dated 1st June 1894, referring for early remarks a suggestion that the interest of the district board should be left to the protection of the Govt. of Madras in the draft agreement to be drawn up between the Secretary of State and the South Indian Railway Company regarding the working of the Mayavaram Muttupet Railway and President's memo. thereon dated 30th June 1894.

The Board willingly accepts the suggestion that their interests should be left to the protection of the Govt. of Madras. The board invite the consideration of Govt. to the remarks of the President.

President's Memorandum on Govt. Memo. No. 414 dated 1st June 1894.

On this subject, I have only two remarks to make.

1. In G. O. dated 6th June 1891, No. 425 Financial, a proposal was sanctioned to use second hand rails discarded by the South Indian Railway from various parts of their line in place of the new steel rails originally proposed.

The immediate saving amounted to about 5 lakhs but from my inspection of the second hand rails I apprehend that the greater part of them will have to be replaced in 4 or 5 years. From para. 2 of the note of the Consulting Engineer for Railways No. 868 read in G. O. No. 3329 L. M. S. dated 19th December 1890, it appears to be understood that the Railway Company is bound to maintain the rails in working order. If this is not insisted on, the laying down of old discarded half worn out rails, will, I fear, turn out to be quite the reverse of economical.

2. As the Railway crosses more than 350 rivers and channels in a locality much exposed to flood, breaches and other damage to the line may not be of rare occurrence and there should be a clear understanding as to the responsibility of the Company to repair all damages from whatever cause arising.

3. I would advise the board to accept the suggestion that the board should leave the protection of their interests in the hands of the Madras Government.

Per-

Order dated 23rd July 1894. No. 13574 L. Ellis.

The President's letter with its enclosures will be communicated to the Public Works (Railway) Department.

(True extract)

A. G. S. Muller
Cape Mr
Under Secretary P.W.D.

for Chief Secretary.

The Public Works (Railway) Department.

Form No. 7.

Copy 2^d August 1894.

To

SERIAL

No. 16

Agent, S. I. R.

No. 71
0

Reply No.

, dated

SIR,

Reminders.

With reference to your letter No. 719, dated 13th July 1894, I have the honor to inform you that the draft agreement for working the Mayavaram. Multiple Railway will be prepared here and submitted to you & to the Govt. of India as directed on your forwarding your copy of the draft agreement returned with my letter No. 1569 of 18th May 94.

Subject.

744
2
7

11 P

not to print

THIS Indenture made the
day of 1894,
between the SECRETARY OF STATE
IN COUNCIL OF INDIA (hereinafter
called the "SECRETARY OF STATE")
of the one part, and the SOUTH INDIAN
RAILWAY COMPANY, LIMITED,
(hereinafter called "THE COMPANY")
of the other part :—

1. Whereas under the provision contained in clause ten of an Indenture, dated the 24th day of November 1890, between the SECRETARY OF STATE and THE COMPANY, the Secretary of State has called upon the Company to work the line of railway between MAYAVARAM and MUTUPET, it is hereby agreed and declared as follows :—

2. On and from the 2nd April 1894, the date on which the Mayavaram and Mutupet Railway was opened by the Company for public traffic, the Company shall maintain such railway in good repair and in good working order and condition—that is to say, the costs and expenses of such maintenance shall be borne by the Company so far only as such maintenance shall be necessary to make good damage caused by the ordinary wear and tear incident to the use and working of the said railway and works by the Company and the conveyance of traffic thereon by the Company, and not further or otherwise, and the Company shall not bear nor be put to any cost or expense for or in respect of any repair, restoration, renewal, or replacement necessary to make good any damage that may have occurred to the said railway and works or any portion thereof which may have been due to extraordinary casualty affecting the said railway and works, or any cause other than the ordinary wear and tear of a railway incident to the use and working thereof and the conveyance of traffic thereon, and to the occurrence of which the Company shall not have in any way contributed by any act, neglect or default of their own.

3. The Company further undertake to provide sufficient rolling stock for the movement of traffic over the said railway.

4. The Company shall charge such rates and fares for the carriage of passen-

(i) Finance accounts, capital and revenue.

12. Joint Stations.—Tiruvallur and Mayavaram.

(a) The division of expenditure at the joint stations to be in accordance with Government of India, P. W. D. circular XII. Railway, dated Simla, 13th August 1889.

(b) ~~A charge for interest on outlay should be included in the joint station expenses and divided as required by para. 12 (a).~~ The amount to be divided should be 4½ per cent. of the outlay on structures and sidings at Mayavaram and Tiruvallur less share of outlay on structures and sidings used solely for the accommodation of South Indian Railway through traffic at Mayavaram and South Indian Railway and Mayavaram-Mutupet through traffic at Tiruvallur.

13. This Indenture to remain in force until either party gives to the other twelve months previous notice of their intention to terminate its provisions, such notice to expire on the 31st day of December in any year.

Dec 22
1894

10/10/10
This Indenture made the 24th day of November 1894 Between the Secretary of State in Council of India (hereinafter called the Secretary of State) of the one part, and the South Indian Railway Company, Limited (hereinafter called the Company) of the other part.

Whereas under the provision contained in clause ten of an Indenture dated the 24th day of November 1890 between the Secretary of State and the Company, the Secretary of State has called upon the Company to work the line of railway between Mayavaram and Mutupet, it is hereby agreed and declared as follows:—

On and from the 2nd April 1894 the date on which the Mayavaram and Mutupet railway was opened by the Company for public traffic, the Company shall maintain such railway in good repair and in good working order and condition—that is to say, the costs and expenses of such maintenance shall be borne by the Company so far only as such maintenance shall be necessary to make good damage caused by the ordinary wear and tear incident to the use and working of the said railway and

and works by the Company and the conveyance of traffic thereon by the Company, and not further or otherwise, and the Company shall not bear nor be put to any cost or expense for or in respect of any repair, restoration, renewal, or replacement necessary to make good any damage that may have occurred to the said railway and works or any portion thereof which may have been due to extraordinary casualty affecting the said railway and works, or any cause other than the ordinary wear and tear of a railway incident to the use and working thereof and the conveyance of traffic thereon, and to the occurrence of which the Company shall not have in any way contributed by any act neglect or default of their own.

The Company further undertakes to provide sufficient rolling stock for the movement of traffic over the said railway.

The Company shall charge such rates and fares for the carriage of passengers and goods over any portion of the said railway as shall from time to time be agreed upon between the Company and the Secretary of State, not being greater than the maximum rates and fares, nor less than the minimum rates and fares for the time being respectively in

in force on the undertaking.

The Company shall keep, in rupee currency, - a distinct and separate account of the gross receipts derived from the working of the said railway. Such account shall be made up half yearly, to the 30th of June, and the 31st of December in each year, and shall be regularly submitted by the Company, to the Secretary of State who may audit the same and correct any error which may be discovered therein. The Company shall also within two calendar months after each of the said half yearly days, render to the Secretary of State a summary of the said account for the half year ending on such half yearly days.

The said gross receipts shall, at such times and in such manner as the Secretary of State may from time to time direct, be paid without deduction into such Treasury of the Government of India as the Secretary of State may approve. The Secretary of State shall, as soon as the accounts between him and the Company in respect of the said railway for any half year shall have been settled, pay over to the Company, at Madras to the credit of their undertaking out of the gross receipts of the said railway the same percentage of such gross receipts as the ^{same} _{on}

on the undertaking is from time to time worked at,
plus five per cent of the gross receipts to cover the
use of rolling stock.

13 This Indenture to remain in force until
either party gives to the other twelve months previous
notice of their intention to terminate its provisions,
such notice to expire on the 31st day of December
in any year.

Wm. H. ...
2nd

Witness my hand and seal this 10th day of ...
1888

4317 of 1904
No. 807 4-8-94

No. 807

South Indian Railway Co., Ltd.,

AGENT'S OFFICE,

TRICHINOPOLY, 4th August 1894

SERIAL
No. 17 5/8/94

papers &c.

From

The Agent,

SOUTH INDIAN RAILWAY,

The CONSULTING ENGINEER FOR RAILWAYS,

MADRAS.

Sir,

Your No. 91 of the 2nd instant. I forward herewith the Draft Indenture returned to me with your letter No. 1569 of the 18th May last. I wish to ask if provision should be made in this agreement for any payment by the Mayavaram Madurai Railway for a percentage rental on the cost of the junction stations at Tiruvallur and Mayavaram.

I have the honor to be
Sir

Your most obedient servant
William B. Betts

1. Enclosure by
C. M. Post

W. B.

12th

4317

His Excellency the Governor
 Pore W. Bliss
 Pore W. from

Agreement for working
 the Nagabaram ^{unsubstantiated}
 Ry between Secy of State
 & S. I. Ry

SERIAL
 No. 1

This indenture has been
 drawn up by order of the
 Secy of State & since he sub-
 mitted to Govt. of India to
 forward to England -

The D. B. Tanjore have re-
 plied to the letter of the
 Madras Govt. and before
 forwarding the indenture
 I request the orders of the
 S. I. Ry Co. the Govt. in Council
 on 2 points -

The D. B. Tanjore ask that
 damage of the Ry by
 floods shall be met by the
 S. I. Ry Co -

The S. I. Ry Co in clause
 2, undertake all main-
 tenance, renewals & ex-
 traordinary casualty -

As a matter of precedent
 the Madras Ry in their
 agreement with the Mysore
 State, & work the Mysore
 State railway, also protect
 themselves against flood
 damages -

Moreover I believe the
 Act, that rules that private
 owners of tanks which
 burst & injure the railway
 can be held liable for
 the same, to be in operation

I suppose we can hardly hold the S. I. Ry
 responsible for more than the ordinary
 maintenance of the railway - and must
 ourselves undertake the cost of any extraordinary
 damages. The collector should be specially ^{in other}
 warned to watch all tanks etc. which ^{works}
 threaten the safety of the line, and make ^{carry out}
 a special point of seeing that they are ^{the provisions of}
 kept in proper repair. Should any calamity ^{of Act IV of 06}
 occur, I note that the outlay incurred in
 repairing the damages will be charged to
 capital. As this so far has been found
 by the Govt & the District Board in equal
 shares, I presume any addition to this capital
 will follow the same distribution. If this is
 so, I think the S. I. Ry. be informed of
 their liability. From the indenture I gather
 that the S. I. Ry. undertakes to keep up the
 permanent way wh. may become worn out,
 & so the President's alarm as to the state
 of the rails need not be considered.
 The Secretary has I think made out a
 good case for reducing the charges for

From
 The Agent,
 South Indian Railway,
 Madras.
 To
 THE CONSULTING ENGINEER FOR
 RAILWAYS,
 Madras.
 Dated
 Received
 No.
 189

in the case some years ago the Madras Ry. appealed against the High Court to the Privy Council to claim damages against an owner of private tanks for injury done to the Ry by their bursting - The decision was against the Ry - It was held that the tanks were made long before the Ry which must protect itself.

I think that it is not equitable to demand that the Co. should pay for the renewal of the line caused by flood damages. If more waterway is required - the Govt. will have to pay for the new bridges - therefore which would be a charge against Capital

The second point is whether, at the joint station of Mayavaram & Madhavaram, the charges of $6\frac{1}{2}\%$ on the capital cost of structures & 9% on the sidings & permanent, is not too heavy a charge for the M. S. line to pay and whether para 6 of Circular X Railway demands that each party shall pay $3\frac{1}{4}\%$ and $4\frac{1}{2}\%$ respectively? Nov 14/94

buildings, sidings etc. at the joint stations.

W
16 Aug.

I don't think the S. I. R. can be held responsible for extraordinary damage. That must fall on the owner of the Rly, i.e. the Govt & the L. B. - It should not, I think, be charged to capital as a matter of course, but to revenue or capital according to the circumstances.

W
17/8/94

28/19/94

The method in which the expenses of joint stations should be divided appears from Timonallor India letter 25th RC of Jan 9, 1899 (Encl. No 1 to Cir. No III Railway 7-1899) to be as follows:-

1. The Home Ry (in this case the S. I. R.) if they are charged on account of buildings used by it for through traffic before the junction was made.
 2. The remainder of the charges on account of buildings used by both Railways of such buildings as are divided in proportion to the traffic on the two Railways.
 3. The percentages mentioned to be charged to the Foreign Ry on the buildings wholly used by it.
- Establishment charges wd be divided,

In the case, as in 1892, but they need not be considered in this connection, as the S. I. R. works the traffic for a percentage.

I don't think that the meaning of Circ. No III is that each party shall pay $3\frac{1}{4}\%$ & $4\frac{1}{2}\%$ respectively.

W
17/8/94

Not now clear. No 9 or might be asked
25

* See also following papers

- ① To be settled by negotiation in each case, $\frac{1}{5}$ being however considered a fair standard.
- ② At the rates of $6\frac{1}{2}\%$ & 9% here mentioned.

N^o 852 D of 23 - 8 - 94

Collecta

Tangine District

SERIAL
No. 11

Don't

In view of the peculiar
situation of the M. No. Ry.
crossing many rivers and
being much exposed to
damage of floods, I am
directed to invite your
attention to the necessity
of carrying out the
provisions of Act IV of
1886 to guard against
damage to the said Ry.

W.
27 Aug.

Free

21/94

112
21/94
29/8

13 P

D 23/8

AP. 871 D of 24 Aug 94
 Resident District
 Board of Transport

SERIAL
No. 11

In forwarding the printed draft indenture to be entered into between S. of S. and the S. I. R. & with reference to your memorandum of 28th of 293 forwarded to you on 28th of 293 para 1. I am directed to say that as this line will be regularly inspected by the Com. Eng. on behalf of foot. the ^{proper} vehicle as to rails will thus be safeguarded.

with reference to para 2 I am sorry that the S. I. R. cannot be held responsible for extraordinary expenditure necessary to repair the line, which will be paid by the Receiver, which are payable to the foot & local Road in equal shares - and if any additional material be provided which is not now in existence - this will be a capital charge in the above proportions -

The Collector of the District will be specially warned to carry out the provisions of Act IV of 1886

Remind President & request emp. etc. to enable draft to be sent to India

7/11/94

7/11/94

when damaged & extra-ordinary causes

27 Aug

29/8

14/8

[Faint, mostly illegible handwritten text on the left page of the open notebook.]

Form No. 7.

City 24th August 1894

SERIAL
No. 21

To

Agent, S. I. R.

[Handwritten signature/initials]

No. 120 Reply No. 911, dated 7/9

SIR,

Reminders.

With reference to
correspondence ending with
your letter No. 807 dated
4th August 1894, I have
the honor to forward herewith
a copy of the
draft Agreement for
working the Mayavaram
despd. Intertat Railway. - for
any remarks & return

Yours

Subject.

[Handwritten signature]
Encls. draft agreement

15-8

and tear incident to the

- (1) His Exy: the Governor
- (2) Hon. Mr. H. W. Blair C.S.E.
- (3) Hon. Mr. J. Brose.

Copies of the accompanying printed draft agreement for working the Mayavaram-Mitribel Railway have been forwarded to the Agent, S. I. Railway and to the President District Board, Tanjore. One return from circulation copies will also be forwarded to the Government of India.

Do I understand that para 12 - of the draft agreement lays down the proportion to be paid by each party is $3\frac{1}{2}$ and $4\frac{1}{2}$, or $6\frac{1}{2}$ and 9% for the working of the joint stations?

21 Aug.
I think a clear understanding is required in this point - as I said before my reading is that the S. I. R. supplies the buildings & at the joint stations & the M. M. R. pays into the joint thereof (keeps a certain proportion) at $6\frac{1}{2}$ & 9%.

J. Russell
24/8/94

28/8/94
Circ
I thought it would save time to enter para 12 as it stands - and in forwarding the draft agreement to India to note for a clear definition - If Mr. Brose & Mr. Russell agree, I will do this - J.P.R.
30/8/94

Draft letter to India forwarding the agreement
30/8/94

15/9/94
J.P.R.
5/9/94

THIS Indenture made the
day of
1894,
between the SECRETARY OF STATE
IN COUNCIL OF INDIA (hereinafter
called the "SECRETARY OF STATE")
of the one part, and the SOUTH INDIAN
RAILWAY COMPANY, LIMITED,
(hereinafter called "THE COMPANY")
of the other part:—

1. Whereas under the provision con-
tained in clause ten of an Indenture,
dated the 24th day of November 1890,
between the SECRETARY OF STATE
and THE COMPANY, the Secretary of
State has called upon the Company to
work the line of railway between MA-
YAVARAM and MUTUPET, it is here-
by agreed and declared as follows:—

2. On and from the 2nd April 1894,
the date on which the Mayavaram and
Mutupet Railway was opened by the
Company for public traffic, the Company
shall maintain such railway in good re-
pair and in good working order and
condition—that is to say, the costs and
expenses of such maintenance shall be
borne by the Company so far only as such
maintenance shall be necessary to make
good damage caused by the ordinary
wear and tear incident to the use and
working of the said railway and works
by the Company and the conveyance of
traffic thereon by the Company, and not
further or otherwise, and the Company
shall not bear nor be put to any cost or
expense for or in respect of any repair,
restoration, renewal, or replacement
necessary to make good any damage that
may have occurred in the said railway
and works or any portion thereof which
may have been due to extraordinary
casualty affecting the said railway and
works, or any cause other than the ordi-
nary wear and tear of a railway incident
to the use and working thereof and the
conveyance of traffic thereon, and to the
occurrence of which the Company shall
not have in any way contributed by any
act neglect or default of their own.

3. The Company further undertake to
provide sufficient rolling stock for the
movement of traffic over the said railway.

4. The Company shall charge such rates
and fares for the carriage of passengers

12/24.8.94. Return - 29.8.94
Recd. 30/8/94
Ret. 6/9/94

and tear incident to the use

and goods over any portion of the said railway as shall from time to time be agreed upon between the Company and the Secretary of State, not being greater than the maximum rates and fares, nor less than the minimum rates and fares for the time being respectively in force on the undertaking.

5. The Company shall keep, in rupee currency, a distinct and separate account of the gross receipts derived from the working of the said railway. Such account shall be made up half-yearly to the 30th of June, and the 31st of December in each year, and shall be regularly submitted by the Company to the Secretary of State who may audit the same and correct any error which may be discovered therein. The Company shall also within two calendar months after each of the said half-yearly-days, render to the Secretary of State a summary of the said account for the half-year ending on such half-yearly-day.

6. The said gross receipts shall, at such times and in such manner as the Secretary of State may from time to time direct, be paid without deduction into such Treasury of the Government of India as the Secretary of State may approve. The Secretary of State shall, as soon as the accounts between him and the Company in respect of the said railway for any half-year shall have been settled, pay over to the Company at Madras to the credit of the undertaking out of the gross receipts of the said railway the same percentage of such gross receipts as the traffic on the undertaking is from time to time worked at plus five per cent. of the gross receipts to cover the use of rolling stock.

7. *Provision of funds for Capital Outlay.*—The Company shall execute such new works as may from time to time be necessary after having first obtained the sanction of the Government for so doing, the cost of all such works to be paid by the Government.

8. *Police.*—The Secretary of State shall provide and maintain such a Police force as the Company, with the approval of the Secretary of State, shall from time to time require. The cost of providing and maintaining this force shall be defrayed in the following manner; that is to say, three-tenths shall be borne by the Secretary of State and the

remaining seven-tenths shall be included in working expenses.

9. *Telegraphs.*—The Company shall arrange with the Secretary of State or otherwise for the supply and maintenance of the requisite telegraphs and payments on account of rental and maintenance shall form part of the Company's Railway system, and the Mayavaram-Mutupet Railway; and the necessary equipment of the telegraph offices at stations together with any additions thereto which may from time to time be found necessary shall be provided, furnished and equipped by the Company at the expense of the Secretary of State.

10. *Land.*—The Secretary of State will provide for the Company any land that may at any time be required by the Mayavaram-Mutupet Railway.

11. *Accounts.*—The Company shall record and keep in proper books full and particular accounts of all its transactions and correspondence in any way relating to or affecting the Mayavaram-Mutupet Railway or the business thereof, or any of the matters, or things, included, or referred to in this agreement, so as at all times to exhibit fully and truly the state of its affairs in relation thereto in the same manner as prescribed in its contract with the Secretary of State.

The Company shall for the above purposes maintain a separate journal and ledger and shall also furnish all the returns required by Government including the following, viz. :—

Weekly—

- (a) Approximate statements of traffic.
- (b) Audited statements of traffic.

Monthly—

- (c) Capital accounts.
- (d) Return of grants. Form D.

Half-yearly—

- (e) Capital and revenue accounts for the half-year.

Yearly—

- (f) Six months estimates.
- (g) Revised and budget estimates, capital.
- (h) Revised and budget estimates, revenue.

4805 of 1894
7-9-94
A

4

(i) Finance accounts, capital and revenue.

12. Joint Stations.—Tiruvallur and Mayavaram.

division
The allocation of expenditure at the joint stations to be in accordance with Government of India, P. W. D. circular X Railway, dated Simla, 6th July 1894.

13. This Indenture to remain in force until either party gives to the other twelve months previous notice of their intention to terminate its provisions, such notice to expire on the 31st day of December in any year.

CR

~~The sum of Rs. 1000 should be~~

~~XII Railway of 1889~~

~~to be allocated for Revenue~~

~~account for the same, and not in~~

~~the method of subdividing the~~

~~change.~~ 7 1888

24 9-94

3

remaining seven-tenths shall be included in working expenses.

9. *Telegraphs.*—The Company shall arrange with the Secretary of State or otherwise for the supply and maintenance of the requisite telegraphs and payments on account of rental and maintenance shall form part of the Company's Railway system, and the Mayavaram-Mutupet Railway; and the necessary equipment of the telegraph offices at stations together with any additions thereto which may from time to time be found necessary shall be provided, furnished and equipped by the Company at the expense of the Secretary of State.

10. *Land.*—The Secretary of State will provide for the Company any land that may at any time be required by the Mayavaram-Mutupet Railway.

11. *Accounts.*—The Company shall record and keep in proper books full and particular accounts of all its transactions and correspondence in any way relating to or affecting the Mayavaram-Mutupet Railway or the business thereof, or any of the matters, or things, included, or referred to in this agreement, so as at all times to exhibit fully and truly the

THIS Indenture made the
day of 1894,
between the SECRETARY OF STATE
IN COUNCIL OF INDIA (hereinafter
called the "SECRETARY OF STATE")
of the one part, and the SOUTH INDIAN
RAILWAY COMPANY, LIMITED,
(hereinafter called "THE COMPANY")
of the other part:—

1. Whereas under the provision contained in clause ten of an Indenture, dated the 24th day of November 1890, between the SECRETARY OF STATE and THE COMPANY, the Secretary of State has called upon the Company to work the line of railway between MAYAVARAM and MUTUPET, it is hereby agreed and declared as follows:—

2. On and from the 2nd April 1894, the date on which the Mayavaram and Mutupet Railway was opened by the Company for public traffic, the Company shall maintain such railway in good repair and in good working order and condition—that is to say, the costs and expenses of such maintenance shall be borne by the Company so far only as such maintenance shall be necessary to make good damage caused by the ordinary wear and tear incident to the use of the

(i) Finance accounts, capital and revenue.

12. Joint Stations.—Tiruvallur and Mayavaram.

- (a) The division of expenditure at the joint stations to be in accordance with Government of India, P. W. D. circular XII-Railway, dated Simla, 13th August 1889.
- (b) A charge for interest on outlay should be included in the joint station expenses and divided as required by para. 12 (a). The amount to be divided should be $4\frac{1}{2}$ per cent. of the outlay on structures and sidings at Mayavaram and Tiruvallur less share of outlay on structures and sidings used solely for the accommodation of South Indian Railway through traffic at Mayavaram and South Indian Railway and Mayavaram-Mutupet through traffic at Tiruvallur.

13. This Indenture to remain in force until either party gives to the other twelve months previous notice of their intention to terminate its provisions, such notice to expire on the 31st day of December in any year.

No.

911

From

The AGENT,

SOUTH INDIAN RAILWAY,

To

The CONSULTING ENGINEER FOR RAILWAYS,
MADRAS.

Sir,

In returning herewith the draft agreement for working the Mayavaram Mutupet Railway which accompanied your letter No. 120 of the 24th ult., I wish to suggest that clause 12 Joint stations, should specify how the expenditure referred to in Government of India P. W. D. Circular X Railway, dated Simla 6th July, 1894, should be divided between the South Indian Railway and the Mayavaram Mutupet Railway.

I propose that the $6\frac{1}{2}$ per cent on the Capital outlay of structures and 9 per cent on the cost of permanent way should be divided between the two systems in proportion to the local traffic of each dealt with at the two junction stations. For the purpose of this division the apportionment of goods and passenger traffic to be reckoned upon the weight of the goods according to the invoices, and that each passenger be taken as equivalent to one ton of a ton. No account of being taken of coaching traffic other than passenger. This mode of division is adopted in the Mayavaram joint station agreement.

I shall feel obliged by your letting me have two copies of the draft agreement submitted to Government.

I have the honor to be, Sir,
Your most obedient servant,
William D. B. L.
Agent

OFFICE OF THE CONSULTING ENGINEER FOR RAILWAYS,

Madras, 10th Sept^r 1894.

No. 2816

OFFICE NOTE.

Letter from the Agent, S. J. Ry Railway, No. 911
 dated 7th Sept^r 1894, forwarded to the Examiner of Railway
 Accounts. for favour of remarks.

Jd.
 for E.R.

EXAMINER'S REPLY.

As the cost of the junction arrangements was borne wholly by the S. J. Ry, the Mysore & Bangalore Railway should, therefore, be charged with its share of interest on this Capital Outlay. This should be an additional charge, like the charge made for Rolling Stock to which it is analogous, and it had better be specially provided for in para 6 of the agreement.

The charge to be made should be arrived at in the manner described in Govt of India's Circular No. 1111 Railway and explained by Capt. Shelley in his note. This circular should therefore, be referred to in para 12 of the agreement.

There is one other matter calling for consideration in connection with this agreement, and

1894
 7/19/94
 R

From

The Agent,

South Indian Railway.

To

To

The Consulting Engineer for

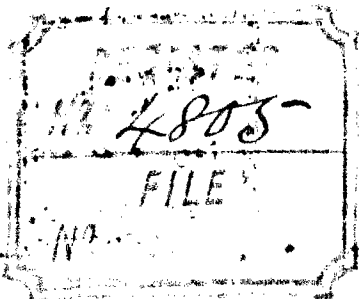
Madras.

Dated

Received

No.

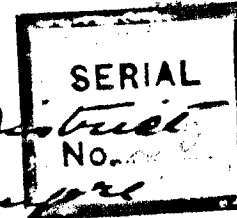
ENCLOSURE



that is whether the charge for Govt. Super-
-vision paid by the S J R C: under
para 65 of their Contract should be
included in the amount on which
the Working Expenses of this Agreement
- Maitapet Railway are calculated,
or whether it should be excluded
and a separate charge made
for the Supervision that will be
exercised by the Govt. of India over
the Provincial work. This is a
matter for India's decision,
if the Supervision charge paid
by the S J R C: are to be included
this fact should be clearly stated
in para 6 of the Working Agreement.

Alpenb
JPC

No. 1030 Dd 12-9-94



President District
Board of Transport

I am requesting a copy
of 24 ref. stating whether
you agree to the draft
Agreement sent your
Board as it is already
marked with the Govt
of India -

The correct interphe-
tation of the circular
referred to in para 12
will be hereafter decided

Yours
11/9/94

Done by H. M.
12/9

SERIAL

No. 96

1894.

Local Fund Department.

From

THE PRESIDENT DISTRICT BOARD

TANJORE.

To

Joint
THE CHIEF SECRETARY TO GOVERNMENT

Public Works
Local and Municipal Department

Railway Branch

MADRAS.

Cotacamund

Dated

15th

Despatched

15th

September 1894

Received

Current No. No. 962 of 10.94
D. B.

ENCLOSURES. 4

SUBJECT.

Informing that the
Draft agreement
received with his
letter No 8718 will
24-8-94
be laid before the
next meeting of the
District Board to be
held on the 29th inst.

Local Fund Department.

Tanjore District Board's Office.

Current No. 982 of 13-94
D. B.

Camp Vallam 15th Sept. 1894.

DESPATCHED

15 SEP 94

From

J. Thomson

ESQUIRE

PRESIDENT, DISTRICT BOARD,

TANJORE.

To

~~THE HONORABLE MR.~~

The Joint ~~Chief~~ SECRETARY TO GOVERNMENT

Public Works Department,
Local and Municipal Department.

Railway Branch,
Madras.

Cotacaramund.

Sir,

With reference to your No. 1030 D. dated 12th September 1894, I have the honor to inform you that the draft agreement received with your No. 871 D. dated 24th August 1894 will be laid before the next meeting of the District Board to be held on the 29th Instant. I was unable to place the subject before the last meeting held on the 25th ultimo as the draft

draft agreement was received
by me only on the 28th June

I have the honor to be
Sir

Your most obedient servant
William Ambrose
for President

I think it would be
best to insert a para
after 12 -

as I understood the
intention because the M.
Ry. is the worked as
a percentage - the propo-
tion of the division of
station expenses need
not be considered?
but if not

with regard to the
division of charges for
rent & maintenance
for building & p. way.
the agent says nothing
about this traffic but
proposes that the local
traffic in each case
should establish the portion
of $6\frac{1}{2}$ & 9% respectively
to be divided between the
S. I. R. & M. R. Ry.

Para 12A would then read.

"For station building and
for the railways ^{6 1/2 %} and for
permanent way used for
both railways 9% as this
capital cost shall be charged
for maintenance and
divided between the 2
Rys in proportion to the

Working Agreement between
Metropolitan Railway -

SERIAL
No. 72

S. R.

1. As H. E. The Governor, the Hon. Members,
and yourself consider Indian Circular
No. XII Railway dated 13th Aug. 1889 to
require reference to India, I am
very diffident in suggesting that
such reference is inadvisable as
the meaning of the Circular seems
clear.

2. Judging from Enclosure 1. Annexure No. 2
to the above circular, para 1 last
sentence, the equal division of
percentage charges was proposed by
the East Indian Railway Board, but
this proposal was not accepted by
India (vide para 4 of the same Annexure,
and division in the proportion of
weight of traffic was advanced.
This the Board appears to have
tacitly accepted, and India in
understanding it prescribed the
rules laid down in Annexure No. 4
Further in the Circular letter itself
paras 1 and 3, the principle of
expenses being divided according
to the weight of traffic of each
railway using the junction is again

laid down.

3. India's orders appears to deal only with the case where the junction station is the terminus of the foreign railway, and hardly seems fair where the two lines cross each other at the junction. On the M. M. R. both these cases occur. At Mayavaram the following classes of traffic exist:-

- (a) S. I. R. through traffic
- (b) S. I. R. local traffic
- (c) S. I. R. and M. M. R. through traffic.
- (d) M. M. R. local traffic.

While at Tiruvallur, in addition to the above there is:

- (e) M. M. R. through traffic.

According to India's orders class (e) is not provided for in dealing with joint expenses, though its exclusion together with (a) before making the percentage division is in conformity with the spirit of the orders. The share under (a) would be borne by the S. I. R., under (e) by the M. M. R. The balance of joint expenses should be divided by weight between the S. I. R., and M. M. R. in the proportion of (b) + $\frac{1}{2}$ (c), and (d) + $\frac{1}{2}$ (c)

Local traffic of M. M. R.

The question of maintenance of rails need hardly I think be mentioned in the present - unless they are retained with the same class 1 & second hand - the difference in value would be negligible to Capital -

It is true the attention of India might be drawn to the fact that charge paid when it goes on -

great delay has already occurred in sinking this in the Tanjore D.R. will not tend to stop the end of the month

27/9

respectively.

4. As the M. M. R. already pays its share of supervision and maintenance, there ~~will be~~ should not be included in the working expenses, which should only be $4\frac{1}{2}$ per cent on the Capital outlay.

5. The question of permanent-way maintenance should I think be made very clear. It is unfair that the S. I. R. should charge the rail renewals (if new rails are laid in a few years) to revenue. Either renewals with second class rails should be allowed as will be done on the Kotar Gold Fields Railway, or the Tanjore Board should know that capital will have to bear the difference in cost between the price of the new and present rails -

249.94

Letter from

No.

Dated

Mangalore. Mutual Working Agreement

To E. R.

SERIAL
No. 28

I am afraid I did not make my meaning clear in my former note from P. h. b. Circular III R of 1889 Annexure 2, the percentages of $6\frac{1}{2}$ and 9 per cent on joint structures and sidings are made up as follows approx.

a) Joint structures, Machinery, plant

1. Interest on outlay	4.5 per cent
2. Maintenance	1.74
3. Supervision	0.21
	6.45

b) Joint sidings

1. Interest on outlay	4.5 per cent
2. Maintenance	3.89
3. Supervision	0.48
	8.89

The M. M. R. is to pay the S. I. R. a certain percentage of its gross earnings for working, this includes maintenance and supervision over the whole of the M. M. R. If therefore the S. I. R. is allowed to charge the percentages of $6\frac{1}{2}$ and 9 per cent on joint structures & sidings & the M. M. R. at joint stations pay nothing over for maintenance and supervision. For this reason I think Indian percentage

of 6½ and 9 should be reduced to
½ which is given as interest on outlay. *9/10.*

's proposal to divide the charges on
the 'local traffic' basis is opposed to
India's ruling, and is certainly in favour
of the S.I.R. at Mayavaram, at Tiruvallur
here the through traffic of the M. & N. R.
and S.I.R. to some extent equalized
is not so unfair.

1898
1.10.94

The Agent's proposal is opposed to
India's ruling given in para 12 of letter
1.2.8 R.C. dated 9 January 1889 to
the Consulting Engineer to the Govt of
India for Railways Calcutta. Under
it the S.I.R. will escape paying
for its share of the interest on outlay
on structures and sidings used
solely for the accommodation of S.I.R.
through traffic.

Para 12 A may be
inserted to read as under:—

"A charge for
interest on outlay should be
included in the joint station expenses and
divided as required by para 12. The
amount to be divided should be
1½ per cent. of the outlay on
structures and sidings at Mayavaram
and Tiruvallur less share of
outlay on structures and sidings
used solely for the accommodation
of S.I.R. through traffic at
Mayavaram and S.I.R.
and Mayavaram. In respect
through traffic at Tiruvallur."

9/10

— I must think as soon as a
reply has been received from
Tanjore L.R. who may be again
reminded of necessity for
a reply

11/10/94

8120

1894.

Local Fund Department.

SERIAL

No. 24

From

THE PRESIDENT DISTRICT BOARD

TANJORE.

To

Joint
THE SECRETARY TO GOVERNMENT

Local and Municipal Department

Railway Branch

MADRAS.

Cotacamund

Dated

Despatched

Received

Regd.

5th
7th October 1894.

282

Current No. 282 of 1894

ENCLOSURE.

One

SUBJECT.

Informing that the
District Board have
referred the agree-
ment for the advice
of the local govern-
ment Pleader.

Extract from the Proceedings of the
District Board of Canjore

Dated 27th September 1894.

2. READ letter from the Joint Secretary
to Government Public Works &
Department, Railway Branch
No 871 D. dated 24-8-94 forward-
ing for approval a draft
Indenture to be entered into
between the Secretary of State
and the South Indian Rail-
way Company regarding the
working of the Mayavaram
Muttupet Railway.

The agreement will be re-
ferred to Mr. S. A. Sami-
nada Esq for his advice.

(Signed) J. Thomas
President
(Present)

W. J. J. J.
For President

1894

66

2

11832

Enclosure

In a letter

From

The President
District Board
Mysore

To

The Joint Secretary
to Government
P. W. Department
Railway Board

Quesada

8/20/94
Dated 5th

27th 3 October 94

Current No. 782 of 1394
D.B.

Extract from
the Proceedings
of the D.B. Board
of Mysore -
dated 27-9-94

Bent

No. 3137 C of 16 October 1894

Cy. President District Board
of Mysore -

Round
SERIAL
No. 30

I am directed to forward
a second proof of the preliminary
agreement between the S. of
S. & the S. I. Ry. for working
the Mayavaram branch
Ry. & with reference to para
no 902 of 5 Oct. 94 to draw
your attention to inform
you that the percentage of
working expenses to pass ex-
cises on the S. I. Ry. has been
as follows

1890	57.69
1891	65.50
1892	63.02
1893	61.36

1894 61.89
in addition
to which will have to be
added 5% of the gross receipts
for use of rolling stock -

I am further directed to
note that your District Board
will lose no time in returning
the proof with their remarks
as the Ry. has now been opened
many months & it is very
necessary that the draft open
ment should go on to the
Sec. of State thro' the Govt of
India without further delay

... building ...
... used at Mayavaram ...
... per para ...

Issue today adding in C.R.'s pencil para
12.10.94

DESP
17 OCT. 94

19

10/10/94

Local Fund Department.

Tanjore District Board's Office.

Camp Vallam 5th October 1894.

Current No. 982 of 1394
D. B.

DETAILED

7- OCT. 94

From

Print
J. Thomson

ESQUIRE,

PRESIDENT, DISTRICT BOARD,

TANJORE.

To

THE HONORABLE MR.

Joint Secretary

CHIEF SECRETARY TO GOVERNMENT

Public Works
Local and Municipal Department.

Railway Branch
MADRAS.

Cotacamund.

Sir,

In continuation of my
letter No. 982 dated 15th September
1894, I have the honor to forward
herewith a copy of the District
Board's resolution No. 2 dated
27th September 1894, from which
it will be seen that the Board
have referred the agreement
for the advice of Mr. R. Bay &
S. A. Saminada for approval
the Local Government Board.
The subject will be again
placed

17

placed before the next meeting
and the resolution Communi-
-cated to you. Meantime -
I request you will be good
enough to inform me at a
very early date with reference
to the closing portion of para
6 of the agreement what
the percentage of such gross
receipts as the traffic on the
undertaking is from time
to time worked at is or is
likely to be, for the informa-
-tion of the Board.

I have the honor to be
Sir

Your most obedient servant

W. Mayentun
For President

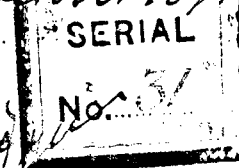
cc

2.

Tanjore collector's office
Camp Chumbakonam

N^o 2653 of 1894
Ver

24th October 1894



From

J. Thomson Esquire,
Acting Collector of
Tanjore.

To

The Joint Secretary to
Government
P. W. & Railway Branch
Madras.

Sir,

With reference to your letter dated 23rd
August 1894, N^o 852 D, I have the honor to
inform you that there are no private works
with regard to which the provisions of Act IV
of 1886 should be enforced for the protection
of the Mayavaram Muttupet Railway.

2. The Deputy collector Moannargudi reports
that the banks of the rivers Koraiyar, Kilai-
-tangiyar and Markakandiyar require
immediate strengthening in the Trinthuraippin
Taluk if the Mayavaram Muttupet Railway line
is not to be damaged. But obviously this
work does not come under the provisions of
Act IV of 1886.

20

I have the honor to be,
Sir
your most obedient servant.

P. W. Department 8177

From

The collector of
Tanjore.

To

The Joint Secretary to
Government
P. W. Dept
Railway Branch
Madras.

Dated 24th }
Received } October 1894

N^o 2653
of 1894

Encl.

Informing that there are no
private works with regard to
which the provisions of Act IV
of 1886 should be enforced for
the protection of the Mayavaram
Muttupet Railway

500-11-5-94.
Form No. 20.

URGENT
TELEGRAM
DEFERRED
SERIAL
No. 32

FROM

E.R.

TO

President
District Board
Tanjore

B/39/-

Please reply my letter 3137
C sixteenth instant.

Yours

Depd 29/10/94

P. D. ORDER No. 8288

1894.

Local Fund Department.

SERIAL
No. 38

From

The President District Board

TANJORE.

To

Under
The ~~Chief~~ Secretary to Government.

Public Works
~~Local and Municipal Department~~
Railway Branch
MADRAS.

Dated 30th

Despatched 3rd October 1894.

Received 1. 11. 94

Disposal No. *A*
DB

ENCLOSURES. 2

SUBJECT.

Informing that the District Board have approved and sanctioned the second proof of the draft agreement to be entered into between the Secretary of State for India and the S. I. Railway Company for working the Mayavaram Mullupur Railway.

Handwritten notes in Tamil script, mostly illegible due to fading and bleed-through.

Extract from the Proceedings of the
District Board of Canjore

Dated 29th October 1894.

15 READ Letter No 3137C dated 16th October
1894 from the Under Secretary to Govern-
ment P. W. Department. Railway branch
forwarding for approval a second
proof of the proposed agreement be-
tween the Secretary of State for India
and the South Indian Railway for
working the Mayavaram Muttupet
Railway and District Board's Reso-
lution No 2 dated 27th September
1894 and Government Reader's letter
dated 21st October 1894.
The agreement is approved and sanctioned.

/Signed/ J. Thomson
President

(For Extract)

Secretary
for President

2284

22

Enclosure

In a letter

from

The President
District Board
Tanjore

The Under Secretary to
Government P.W.D.
Railway Branch,
Madras.

Dated 30th September 1894

Disposal No. A
D.B.

P.W.D.
3288/24

Extract from the Pro-
ceedings of the District
Board Tanjore dated
29th October 1894 No 15.

Local Fund Department.

Tanjore District Board Office.

Camp Tanjore 30th October 1894

Disposal No. A
D.B.

From

J. Thomson ESQUIRE

PRESIDENT DISTRICT BOARD

TANJORE.

To

THE HONORABLE MR.

Under

CHIEF SECRETARY TO GOVERNMENT

Public Works

LOCAL AND MUNICIPAL DEPARTMENT.

Railway Branch
MADRAS.

Sir,

With reference to the correspond-
ence ending with your No 3137C dated
16th October 1894, I have the honor to for-
ward herewith a copy of the District
Board's Resolution dated 29th October
1894 No 15, from which it will be seen
that the Board have approved and
sanctioned the second proof of the
draft agreement which is herewith
returned.

I have the honor to be
Sir

Your most obedient servant

M. Ravilama

for President

210

8

I am directed *to forward* draft agreement as between the Secretary of State in Council for India and the South Indian Ry Company for working the *Madhavaram* *Muttupet* Ry.

as desired in your letter No 88RT dated 7 March 1894

The delay that has taken place in submitting this agreement is due to the *Madhavaram* *Muttupet* Ry. having been consulted, as that Road *has* contributed towards its construction -

I am to draw the special attention of the Govt. of India to para 12 and to inquire whether the provisions of Circular XII Railways dated 21st Aug 1889 are correctly interpreted. In this case, where the S. I. Ry. take a certain percentage of gross earnings for working the M. Ry. and that therefore with reference to Annexure 2 of the above Circular - *ref interest on outlay* *appears* *to* *be* *divisible*

Print

230

In this connection - a
copy of a letter from
the Agent. S. I. Ry bearing
on this subject is forward.

Ad

FM. 1/11

Enclosures.

Indenture 6 copies
Letter 9/11 of 7 left from
Agent. S. I. Ry.

No: 342782-11-94

Copy of letter and, ^{with 2 copies of} the
Indenture to Agent. S. I. Ry

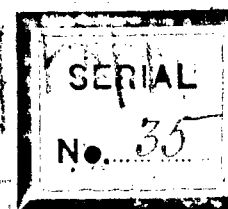
All communications
should be addressed to
the Secretary.

No. 323 R T.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

RAILWAY TRAFFIC.



To

The Secretary to the Government of Madras,

Public Works Department, Railway Branch.

Simla, the 1st July 1895.

Sir,

With reference to your letter No. 3418 C., dated the 2nd November 1894, forwarding draft agreement as between the Secretary of State and the South Indian Railway Company for working the Mayavaram-Mutupet Railway together with copy of a letter from the Agent, South Indian Railway, regarding clause 12 of the agreement, I am directed to remark as follows:-

2. The agreement requires to be made rather fuller, e.g., there should be a definition to show what "gross receipts" include and the word "undertaking" should also be defined as having the same meaning as in the principal contract.

3. In clause 7, the word "Government" should be "Secretary of State" and this clause should give some definition of what Capital expenditure should be held to include, or some reference to the general principles of allocation between Capital and Revenue.

4. Clause 9 is not clearly worded and seems to require revision. It should provide that the payments to the

Government

248