Public Works (1899) Department.

CONCERNS BOTH BRITISH INDIA
AND INDIAN STATES.

RAILWAY BRANCH.

Print urgent.

G.O., No. 578-79 Ry.

DATED 13th May 1899.

150/20/36

[Despatch Abstract.]

Shoranur – Cochin Railway.

Ordered that a copy of the memorandum of matters preliminarily agreed to at the Conference held at Balgatti, with a note thereon by the Con. Engr. for Rys, be forwarded to the Resident in Travancore & Cochin for communication to the Cochin Durbar & a copy of the Pro. forwarded to the Govt of India.

Forwarding copy of Pro. embodying a memorandum of matters preliminarily agreed to at the Conference held at Balgatti in connec with the ——

Indexed

[P. W. 20. / 300—30-3-99.]

BACK PERS.

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

FURTHER PAPERS.

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

RAILWAY

Mr. Pres. Standing ... Stole Ooty

578

No. 9 C
proof [illegible] [illegible] G.O.

approved. Please print 6 copies of G.O. & one for India and proof for signature to Ooty by next train 11th

7/11

Despd
10/5/99.

RAILWAY.

Government (1899) of Madras.

PUBLIC WORKS.

Recd.	1899.	Enclosures
Regd.		Spare copies

G.O., Nos. 578, 579 Ry., 13th May 1899.

MAY.

Shoranur-Cochin Railway

Forwarding copy of Proceedings embodying a memorandum of matters preliminarily agreed to at the conference held at Balgatti in connection with the —.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read again the following paper:—

G.O., Nos. 496-97 Ry., dated 28th April 1899.

Read also the following paper:—

SHORANUR-COCHIN RAILWAY.

MEMORANDUM OF MATTERS PRELIMINARILY AGREED TO.

At a conference held at Bálgáttí on April 12th, at which were present—

The Resident in Travancore and Cochin,
The Diwan of Cochin, and
The Consulting Engineer for Railways, Madras,

the following matters were agreed to, with an understanding that certain of them are subject to modification after the Consulting Engineer shall have taken the orders of Government and shall have again discussed them with the Cochin and Travancore Durbars through the Resident:—

1. That the Diwan of Cochin will address the Resident, with reference to G.O., No. 335 Ry., dated the 25th March 1899, expressing the desire of the Darbar that, provided suitable terms can be agreed to, the agency of the Madras Railway Company be availed of for the construction and subsequent working of the projected metre gauge railway from Shoranur to Cochin.

2. That the Darbar ask that the kind offices of the Madras Government be exercised with a view to suitable terms being arranged with the Madras Railway Company.

3. That it seems expedient that the agreement for making and working the line be primarily between the Darbar and Government, and secondarily between Government and the Company.

4. That, should they be willing to do so, pending the settlement of terms for making and working the railway, the Madras Railway Company be permitted to proceed, provisionally, with the construction of the line.

5. That the Madras Railway Company be asked to prepare, at their early convenience, a rough statement showing the probable amounts likely to be spent, year by year, during the period of construction, (*a*) by cheques on Darbar treasuries at Warrakancherri, Trichur, Irruyakody, and Ernacolam (*b*) by cheques on British treasuries, and (*c*) on English indents; and that such rough statement be revised from time to time as experience may suggest.

6. That payments by cheques on Darbar treasuries be provided for by the Durbar direct, as credits are applied for, month by month, on the various treasuries.

7. That British payments, whether for English indents or otherwise, be arranged for by the Darbar depositing from time to time as may be necessary with the Civil Accountant-General, Madras, promissory notes for such sums as that officer may from time to time call for. It is understood that the Accountant-General will sell the promissory notes from time to time, using his best discretion, and crediting the Durbar with interest accruing on unsold notes.

8. That it is the present desire of the Darbar, out of its balance of 45 lakhs, to set aside 35 for railway construction purposes. Proposals for the provision of the remainder of the capital will be made later on. But at present there appears to be good reason to hope that it may be obtained locally, without leaving the State.

9. That the Madras Railway Company be asked to construct the railway without other remuneration than that the salaries, allowances, and provident fund contributions of all staff specially employed on the work be debited to the work.

10. That the first charge against the Railway budget will be the recoupment of the cost of the survey, by debit of the account head *Preliminary expenses.*

11. The following are the proposals as regards *land*: (*a*) Land in British territory will be mapped and scheduled, and application made for it to the British Civil Authorities. (*b*) Land in Cochin will be made over to the Railway by the Darbar, in ordinary procedure, on receipt of plans and schedules. (*c*) The Resident expects in a few days to be in a position to address Government in the Political Department in regard to the question of land to be taken up by the Railway in Travancore territory. (*d*) All land to be handed over to the Railway Company with trees standing thereon; the Company to dispose of such trees as it may be necessary to fell, to the best advantage, crediting the head *Land* in their accounts.

12. The railway bridges in Cochin territory to be made fit for road traffic are those which cross the Shálákúdi and Karimáli rivers. The question of rendering the Alwaye bridge fit for road traffic at the expense of the Travancore Darbar is at present under correspondence with that Durbar.

13. The Cochin Darbar accepts, for services to be rendered to the Postal Department, the terms usual elsewhere in similar cases.

14. In view of the freedom of the Madras Railway Company from all interest or potential interest in the capital cost of the line, and in order to render unnecessary long references to a distant Authority, the Darbar desires to unreservedly accept the Madras Government's control of designs, estimates and sanctions of all descriptions, whether or not such are usually, on State or Company's railways, referred to authority higher than that of the local Government.

15. As regards terms for working the completed railway, the Darbar would be willing to consent to the following: (*a*) The Madras Railway Company to work the Cochin line at the same percentage of working expenses to gross earnings as obtains half-year by half-year throughout the entire system worked by that Company, including the Cochin line; (*b*) surplus profits to count after net earnings in each of half-year have amounted to three per cent on the booked capital of the railway including land; (*c*) surplus profits to be shared in the proportion of four-fifths to the Darbar and one-fifth to the Madras Railway Company.

16. The Darbar understands that the usual cession of complete jurisdiction over all land to be occupied by the Railway or for the purposes of the Railway, will have to be ceded to the British Government by the States concerned.

17. The Darbar understands that seven-tenths of the cost of police for the railway, whether during construction or afterwards. will have to be borne by the Railway, during construction by capital and subsequently as a part of working expenses; and that the remaining three-tenths must be borne, in proportion to mileage, by the British Government, the Cochin State and the Travancore State.

Signed by F. A. Nicholson,
Resident in Travancore and Cochin.

P. Rajagopala Chariyar,
Diwan of Cochin.

Dated Bálgáttí.
12th April 1899.

Francis J. E. Spring,
Consulting Engineer for Railways.

Note by the Consulting Engineer for Railways.

I had a consultation yesterday with the Accountant-General, Madras, about the proposals contained in paragraph 7. Mr. Hesketh Biggs said that the suggested procedure was unusual though quite practicable, and that if he were asked to adopt it he would have to take the Government of India's orders in regard to it. We agreed, however, that it was not an essentially necessary procedure, for the following reasons.

(*a*) The securities being State securities and not private, it would be quite possible in the Political Department to ensure that no change of State policy should result in failure of the continuous supply of money pending completion of the projected railway.

(*b*) The proportion of the whole of the payments to be made on British treasuries would be small.

(*c*) As English stores would be supplied to the Madras Railway Company by their Board in London and would have therefore to be paid for by that Board and not by the Secretary of State, English outlay would not necessarily involve transactions with the Indian treasury.

2. We therefore came to the conclusion that it would be best that the hypothecation of the Cochin State balances, as well as the raising at some future time of whatever amount, over and above those balances, will be necessary for the completion of the railway, would best be secured by action to be taken in the Political Department, and that arrangements had better be made by the Darbar with the Bank of Madras direct for keeping the Madras Railway Company in funds for payments outside Cochin territory, the arrangements referred to in paragraphs 5 and 6 of the above memorandum holding good for payments by cheques drawn on Cochin treasuries.

3. To-day I talked this all over with the Agent, Madras Railway Company, and we agree that funds had best be provided in the manner suggested above, that is, through the Madras Bank for payments elsewhere than in Cochin territory and by cheques on Darbar treasuries for payments to persons requiring cash in Cochin.

4. Mr. Moss agrees generally to the conditions proposed by the Darbar for his Company's acceptance, and is prepared to recommend them to his Board as soon as they are officially brought to his notice.

5. In connection with the valuation of land in Travancore territory, if, as seems likely, it is settled that that land will be paid for by the Cochin Darbar, there is a matter which seems to me to require consideration by the Resident. I believe it is proposed that a Cochin official should be present while the Travancore official is making his awards. It seems, however, to me that these two men are certain to come to a deadlock unless there is somebody to settle their differences. It would, I think, therefore, be advisable that a British Deputy Collector, by preference a man experienced in acquiring land in Malabar and speaking Malayalam, should be present as umpire in case of disputes arising between the officials of the two States. With the assistance of such a man the Resident would probably be able to ensure the making over of the land with the minimum of friction. It is possible, however, that the Cochin Darbar may not consider such an arrangement to be necessary.

erial
24

Francis J. E. Spring,
Consulting Engineer for Railways.

Madras.
19th April 1899.

Order—No. 578 Ry., dated 13th May 1899.

A copy of these Proceedings will be forwarded to the Resident in Travancore and Cochin, for communication to the Cochin Darbar. The Resident's report on the subject of the provision of land in Travancore territory is awaited. Definite proposals are awaited from the Cochin Darbar. A copy of these Proceedings will be forwarded to the Government of India.

[Here enter No. 579 Ry., dated 13th May 1899.]

(True Extract.)

Francis J. E. Spring,
Joint Secretary.

To the Consulting Engineer.
„ Political Department
„ Financial Department.
„ Agent, Madras Railway Company.

Endorsement—No. 579 Ry., dated 13th May 1899.

Forwarded.

(By order.)

Francis J. E. Spring,
Joint Secretary.

Exd. T. K. Narayana Aiyangar.

Serial No. 24

Shoranur-Cochin Railway.

Memorandum of matters preliminarily agreed to.

At a conference held at Bolgotty on May 12th at which were present April 99

The Resident in Travancore & Cochin
The Dewan of Cochin, and
The Con. Engr. for Ry. Madras.

The following matters were agreed to, with an understanding that certain of them are subject to modification after the Con. Engr. shall have taken the orders of Government, and shall have again discussed them with the Cochin and Travancore Durbars through the Resident.

1.— That the Dewan of Cochin will address the Resident, with reference to G.O. No. 335. Ry. dated the 25th March 99, expressing the desire of the Durbar that, provided suitable terms can be agreed to, the agency of the Madras Ry. Co. be availed of for the construction and subsequent working of the projected metre gauge railway from Shoranur to Cochin.

2.— That the Durbar asks that the kind offices of the Madras Government be exercised with a view to suitable terms being arranged with the Madras Ry. Co.

3.— That it seems expedient that the agreement for making and working the line be primarily between the Durbar and Government, and secondarily between Government and the Company.

4.— That should they be willing to do so, pending the settlement of terms for making and working the railway, the Madras Ry. Co. be permitted to proceed, provisionally, with the construction of the line

5.– That the Madras R. C. be asked to prepare, at their early convenience, a rough statement showing the probable amounts likely to be spent, year by year, during the period of construction, (a) by cheques on Durbar treasuries (Wadakancheri, Trichur, Irinjalakuda, and Ernakulam) (b) by cheques on British Treasuries, and (c) on English Indents. and that such rough statement be revised from time to time as experience may suggest.

6.– That payment of cheques on Durbar Treasuries be provided for by the Durbar direct, as credits are applied for, month by month, on the various treasuries.

7.– That British payments, whether for English Indents or otherwise, be arranged for by the Durbar depositing from time to time as may be necessary with the Civil Accountant General, Madras, Promissory notes for such sums as that officer may from time to time call for. It is understood that the Acct. General will sell the Promissory Notes from time to time, using his best discretion, and crediting the Durbar with interest accruing on unsold Notes.

8.– That it is the present desire of the Durbar, out of its balance of ~~42~~ 45 lakhs, to set aside 35 for railway construction purposes. Proposals for the provision of the remainder of the capital will be made later on. But at present there appears to be good reason to hope that it may be obtained locally, without leaving the State.

2

9.– That the Madras R. C. be asked to construct the railway without other remuneration than that all staff specially employed on the works will be debited to the works.

10.– That the first charge against the Railway Budget will be the recoupment of the cost of the survey, by debit of the Accounts Head Preliminary Expenses.

11.– The following are the proposals as regards Land. (a) Land in British Territory will be mapped and scheduled, and application made therefor from the British Civil Authorities. (b) Land in Cochin will be made over to the railway by the Durbar, in ordinary procedure, on receipt of plans & schedules. (c) The Resident expects in a few days to be in a position to address Govt. in the Political Dept. in regard to the question of land to be taken by the Railway in Travancore territory. (d) All land to be handed over to the R. C. with trees standing thereon, the C. will dispose of such trees as it may be necessary to fell, to the best advantage, crediting the head Land in their accounts.

12.– The Railway Bridges in Cochin territory to be made fit for road traffic are those which cross the Shálákudi and Karimáli rivers. The question of rendering the Alwaye bridge fit for road traffic at the expense of the Travancore Durbar is at present under correspondence with the Durbar.

13.– The Durbar accepts, for the service of the Postal Dept. the terms usual elsewhere in similar cases.

14.— In view of the freedom of the Madras R. C. from all interest or potential interest in the capital cost of the line, and in order to render unnecessary long reference to a distance, the Durbar desire to unreservedly accept the Madras Govt's control of all designs, estimates and sanctions of all descriptions, whether or not such are usually, on State or Company's Railways, referred to authority higher than that of the Local Government.

15. As regards terms for working the completed railway, the Durbar would be willing to consent to the following. (a) The Madras R. C. to work the Cochin line at the same percentage of working expenses to gross earnings as obtains half year by half year throughout the entire system worked by that Company, including the Cochin line. (b) Surplus profit to count after net earnings in each half year have amounted to three per cent on the booked capital of the railway including land. (c) Surplus profit to be shared in the proportion of 4/5ths to the Durbar and 1/5th to the Madras R. C.

16.— The Durbar understand that the usual cession of complete jurisdiction over all land to be occupied by the Railway or for the purposes of the Railway, will have to be ceded to the British Government by the States concerned.

17. – The Durbar understand that $\frac{7}{10}$th of the cost of policing the railway, whether during construction or afterwards, will have to be borne by the railway, during construction by capital and subsequently as a part of working expenses; and that the remaining $\frac{3}{10}$th must be borne, in proportion to mileage, by the British Govt., the Cochin State, and the Travancore State.

~~R.A.H. 13/IV/99~~

F.J.E.S.
13/4/99

B
14/4/99

The Under Secretary will put this into print and have it ready if possible by my return to Madras.

F.W.S
13/4/99

1 8

Read G.O. No. 496-7 dated the 23/4/99

Read the following papers

SHORANUR-COCHIN RAILWAY. — black type

MEMORANDUM OF MATTERS PRELIMINARILY AGREED TO.

At a conference held at Bálgáttí on April 12th, at which were present—

The Resident in Travancore and Cochin,
The Diwan of Cochin, and
The Consulting Engineer for Railways, Madras,

the following matters were agreed to, with an understanding that certain of them are subject to modification after the Consulting Engineer shall have taken the orders of Government and shall have again discussed them with the Cochin and Travancore Durbars through the Resident:—

1. That the Diwan of Cochin will address the Resident, with reference to G.O., No. 335 Ry., dated the 25th March 1899, expressing the desire of the Durbar that, provided suitable terms can be agreed to, the agency of the Madras Railway Company be availed of for the construction and subsequent working of the projected metre gauge railway from Shoranur to Cochin.

2. That the Durbar ask that the kind offices of the Madras Government be exercised with a view to suitable terms being arranged with the Madras Railway Company.

3. That it seems expedient that the agreement for making and working the line be primarily between the Durbar and Government, and secondarily between Government and the Company.

4. That, should they be willing to do so, pending the settlement of terms for making and working the railway, the Madras Railway Company be permitted to proceed, provisionally, with the construction of the line.

5. That the Madras Railway Company be asked to prepare, at their early convenience, a rough statement showing the probable amounts likely to be spent, year by year, during the period of construction, (*a*) by cheques on Durbar treasuries at Warrakancherri, Trichur, Irruyakody, and Ernacolam (*b*) by cheques on British treasuries, and (*c*) on English indents; and that such rough statement be revised from time to time as experience may suggest.

6. That payments by cheques on Durbar treasuries be provided for by the Durbar direct, as credits are applied for, month by month, on the various treasuries.

7. That British payments, whether for English indents or otherwise, be arranged for by the Durbar depositing from time to time as may be necessary with the Civil Accountant-General, Madras, promissory notes for such sums as that officer may from time to time call for. It is understood that the Accountant-General will sell the promissory notes from time to time, using his best discretion, and crediting the Durbar with interest accruing on unsold notes.

8. That it is the present desire of the Durbar, out of its balance of 45 lakhs, to set aside 35 for railway construction purposes. Proposals for the provision of the remainder of the capital will be made later on. But at present there appears to be good reason to hope that it may be obtained locally, without leaving the State.

9. That the Madras Railway Company be asked to construct the railway without other remuneration than that the salaries, allowances, and provident fund contributions of all staff specially employed on the work be debited to the work.

10. That the first charge against the Railway budget will be the recoupment of the cost of the survey, by debit of the account head *Preliminary expenses*.

11. The following are the proposals as regards *land*: (*a*) Land in British territory will be mapped and scheduled, and application made for it to the British Civil Authorities. (*b*) Land in Cochin will be made over to the Railway by the Durbar, in ordinary procedure, on receipt of plans and schedules. (*c*) The Resident expects in a few days to be in a position to address Government in the Political Department in regard to the question of land to be taken by the Railway in Travancore territory. (*d*) All land to be handed over to the Railway Company with trees standing thereon; the Company will dispose of such trees as it may be necessary to fell, to the best advantage, crediting the head *Land* in their accounts.

12. The railway bridges in Cochin territory to be made fit for road traffic are those which cross the Shálákúdi and Karimáli rivers. The question of rendering the Alwaye bridge fit for road traffic at the expense of the Travancore Durbar is at present under correspondence with that Durbar.

13. The Cochin Durbar accepts, for services to be rendered to the Postal Department, the terms usual elsewhere in similar cases.

14. In view of the freedom of the Madras Railway Company from all interest or potential interest in the capital cost of the line, and in order to render unnecessary long references to a distant Authority, the Durbar desires to unreservedly accept the Madras Government's control of designs, estimates and sanctions of all descriptions, whether or not such are usually, on State or Company's railways, referred to authority higher than that of the local Government.

15. As regards terms for working the completed railway, the Durbar would be willing to consent to the following: (*a*) The Madras Railway Company to work the Cochin line at the same percentage of working expenses to gross earnings as obtains half-year by half-year throughout the entire system worked by that Company, including the Cochin line; (*b*) surplus profits to count after net earnings in each of half-year have amounted to three per cent. on the booked capital of the railway including land; (*c*) surplus profits to be shared in the proportion of four-fifths to the Durbar and one-fifth to the Madras Railway Company.

16. The Durbar understands that the usual cession of complete jurisdiction over all land to be occupied by the Railway or for the purposes of the Railway, will have to be ceded to the British Government by the States concerned.

17. The Durbar understands that seven-tenths of the cost of police for the railway, whether during construction or afterwards, will have to be borne by the Railway, during construction by capital and subsequently as a part of working expenses; and that the remaining three-tenths must be borne, in proportion to mileage, by the British Government, the Cochin State and the Travancore State.

Signed by F. A. NICHOLSON,
Resident in Travancore and Cochin.

P. RAJAGOPALA CHARIYAR,
Diwan of Cochin.

FRANCIS J. E. SPRING,
Consulting Engineer for Railways.

DATED BÁLGÁTTÍ.
12th April 1899.

End of page 2

Page 3 begins

Note by the Consulting Engineer for Railways.

I had a consultation yesterday with the Accountant-General, Madras, about the proposals contained in paragraph 7. Mr. Hesketh Biggs said that the suggested procedure was unusual though quite practicable and that if he were asked to adopt it he would have to take the Government of India's orders in regard to it. We agreed, however, that it was not an essentially necessary procedure, for the following reasons.

(*a*) The securities being State securities and not private, it would be quite possible in the Political Department to ensure that no change of State policy should result in failure of the continuous supply of money pending completion of the projected railway.

(*b*) The proportion of the whole of the payments to be made on British treasuries would be small.

(*c*) As English stores would be supplied to the Madras Railway Company by their Board in London and would have therefore to be paid for by that Board and not by the Secretary of State, English outlay would not necessarily involve transactions with the Indian treasury.

2. We therefore came to the conclusion that it would be best that the hypothecation of the Cochin State balances, as well as the raising at some future time of whatever amount, over and above those balances, will be necessary for the completion of the railway, would best be secured by action to be taken in the Political Department, and that arrangements had better be made by the Darbar with the Bank of Madras direct for keeping the Madras Railway Company in funds for payments outside Cochin territory, the arrangements referred to in paragraphs 5 and 6 of the above memorandum holding good for payments by cheques drawn on Cochin treasuries.

3. To-day I talked this all over with the Agent, Madras Railway Company, and we agree that funds had best be provided in the manner suggested above, that is, through the Madras Bank for payments elsewhere than in Cochin territory and by cheques on Darbar treasuries for payments to persons requiring cash in Cochin.

4. Mr. Moss agrees generally to the conditions proposed by the Darbar for his Company's acceptance, and is prepared to recommend them to his Board as soon as they are officially brought to his notice.

MADRAS,
19th April 1899.

FRANCIS J. E. SPRING,
Consulting Engineer for Railways.

Order thereon —

See separate sheet of memorandum
2/5/[illegible]

Pres. Do not print this
FJES

H. E. and Hon Members

Submd. [illegible]
25-4-99

I propose that a separate G.O. issue on this after the inspection report shall have gone out under its own G.O. This will then be submitted to Govt through the Pol Dept. But at this stage it need not go through that Dept. as it is [illegible] necessary that the other G.O. should come to the [illegible] people.

FJES
27/4/[illegible]

5. In connection with the valuation of land in Travancore territory, if, as seems likely, it is settled that that land will be paid for by the Cochin Darbar, there is a matter which seems to me to require consideration by the President. I believe it is proposed that a Cochin official should be present while the Travancore official is making his awards. It seems however to me that these two men are certain to come to a deadlock unless there is somebody to settle their differences. It would I think therefore be advisable that a British Deputy Collector by preference a man experienced in acquiring land in Malabar, and speaking Malayalim, should be present as umpire in case of disputes arising between the officials of the two States. With the assistance of such a man the Resident would probably be able to ensure the making over of the land with the minimum of friction. It is possible however that the Cochin Darbar may not consider such an arrangement to be neces

[G./74]
300—30-7-96

[illegible] Remove [illegible] Vic PR [illegible] 28/4/99
[illegible] before
[illegible] to the WD
Cud

NOTE FOR THE CHIEF SECRETARY.

Submitted that there is no objection to the draft being c.d. In the addresses at foot of the draft, the Resdt in T.C. should be omitted as Political will communicate the order to him. "Financial Dept" might be added with ref: to para 7 of the Memorandum, to admit of communication to the Acct. Genl

Cud
28/4/99

H.
27-4-9.

D. C. W. [illegible] u.o. No 1143
1.5.99

H.
27-4-9.

Submitted that there
be no objection to the draft
[illegible]. As the [illegible]
as part of the draft, the Rail-
way [illegible] should be [illegible]
[illegible]
[illegible]

Form No. 10.

Public Works Department.

Railway Branch.

C. No.....................

Urgent.

SUBJECT. Shoranur-Cochin Ry

HIS EXCELLENCY THE GOVERNOR.
THE HON'BLE MR. ARUNDEL ~~I.C.S.~~ C. S. I.
THE HON'BLE MR. H. M. WINTERBOTHAM, I.C.S.

FOR ORDERS.

I now propose to H. E. and Hon. Members that the G.O. drafted below and initialled by the Chief Secretary, do issue.

FHS
1/5/99

H.A.H.
3.5.99

AsA
4.5.99.

H.W.
5-5-99

Clean proof sharp

FHS
6/5/99

Paper sent to [illegible] 6/5/99

1st proof Rd 9/5/99

No. 578 Ry., 13th May 1899.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Approved 7.M 10/5

Railway.

Read again the following paper:—

G.O., Nos. 496–97 Ry., dated 28th April 1899.

Read also the following paper:—

SHORANUR-COCHIN RAILWAY.

MEMORANDUM OF MATTERS PRELIMINARILY AGREED TO.

At a conference held at Bálgáttí on April 12th, at which were present—

The Resident in Travancore and Cochin,
The Diwan of Cochin, and
The Consulting Engineer for Railways, Madras,

the following matters were agreed to, with an understanding that certain of them are subject to modification after the Consulting Engineer shall have taken the orders of Government and shall have again discussed them with the Cochin and Travancore Durbars through the Resident:—

1. That the Diwan of Cochin will address the Resident, with reference to G.O., No. 335 Ry., dated the 25th March 1899, expressing the desire of the Durbar that, provided suitable terms can be agreed to, the agency of the Madras Railway Company be availed of for the construction and subsequent working of the projected metre gauge railway from Shoranur to Cochin.

2. That the Durbar ask that the kind offices of the Madras Government be exercised with a view to suitable terms being arranged with the Madras Railway Company.

3. That it seems expedient that the agreement for making and working the line be primarily between the Durbar and Government, and secondarily between Government and the Company.

4. That, should they be willing to do so, pending the settlement of terms for making and working the railway, the Madras Railway Company be permitted to proceed, provisionally, with the construction of the line.

5. That the Madras Railway Company be asked to prepare, at their early convenience, a rough statement showing the probable amounts likely to be spent, year by year, during the period of construction, (*a*) by cheques on Durbar treasuries at Warrakancherri, Trichur, Irruyakody, and Ernacolam (*b*) by cheques on British treasuries, and (*c*) on English indents; and that such rough statement be revised from time to time as experience may suggest.

6. That payments by cheques on Durbar treasuries be provided for by the Durbar direct, as credits are applied for, month by month, on the various treasuries.

7. That British payments, whether for English indents or otherwise, be arranged for by the Durbar depositing from time to time as may be necessary with the Civil Accountant-General, Madras, promissory notes for such sums as that officer may from time to time call for. It is understood that the Accountant-General will sell the promissory notes from time to time, using his best discretion, and crediting the Durbar with interest accruing on unsold notes.

8. That it is the present desire of the Durbar, out of its balance of 45 lakhs, to set aside 35 for railway construction purposes. Proposals for the provision of the remainder of the capital will be made later on. But at present there appears to be good reason to hope that it may be obtained locally, without leaving the State.

9. That the Madras Railway Company be asked to construct the railway without other remuneration than that the salaries, allowances, and provident fund contributions of all staff specially employed on the work be debited to the work.

10. That the first charge against the Railway budget will be the recoupment of the cost of the survey, by debit of the account head *Preliminary expenses*.

11. The following are the proposals as regards *land*: (*a*) Land in British territory will be mapped and scheduled, and application made for it to the British Civil Authorities. (*b*) Land in Cochin will be made over to the Railway by the Durbar, in ordinary procedure, on receipt of plans and schedules. (*c*) The Resident expects in a few days to be in a position to address Government in the Political Department in regard to the question of land to be taken up by the Railway in Travancore territory. (*d*) All land to be handed over to the Railway Company with trees standing thereon; the Company to dispose of such trees as it may be necessary to fell, to the best advantage, crediting the head *Land* in their accounts.

12. The railway bridges in Cochin territory to be made fit for road traffic are those which cross the Shálákúdi and Karimáli rivers. The question of rendering the Alwaye bridge fit for road traffic at the expense of the Travancore Durbar is at present under correspondence with that Durbar.

13. The Cochin Durbar accepts, for services to be rendered to the Postal Department, the terms usual elsewhere in similar cases.

14. In view of the freedom of the Madras Railway Company from all interest or potential interest in the capital cost of the line, and in order to render unnecessary long references to a distant Authority, the Durbar desires to unreservedly accept the Madras Government's control of designs, estimates and sanctions of all descriptions, whether or not such are usually, on State or Company's railways, referred to authority higher than that of the local Government.

15. As regards terms for working the completed railway, the Durbar would be willing to consent to the following: (*a*) The Madras Railway Company to work the Cochin line at the same percentage of working expenses to gross earnings as obtains half-year by half-year throughout the entire system worked by that Company, including the Cochin line; (*b*) surplus profits to count after net earnings in each of half-year have amounted to three per cent. on the booked capital of the railway including land; (*c*) surplus profits to be shared in the proportion of four-fifths to the Durbar and one-fifth to the Madras Railway Company.

16. The Durbar understands that the usual cession of complete jurisdiction over all land to be occupied by the Railway or for the purposes of the Railway, will have to be ceded to the British Government by the States concerned.

17. The Durbar understands that seven-tenths of the cost of police for the railway, whether during construction or afterwards, will have to be borne by the Railway, during construction by capital and subsequently as a part of working expenses; and that the remaining three-tenths must be borne, in proportion to mileage, by the British Government, the Cochin State and the Travancore State.

Signed by F. A. Nicholson,
Resident in Travancore and Cochin.

P. Rajagopala Chariyar,
Diwan of Cochin.

Dated Bálgáttí.
12th April 1899.

Francis J. E. Spring,
Consulting Engineer for Railways.

Note by the Consulting Engineer for Railways.

I had a consultation yesterday with the Accountant-General, Madras, about the proposals contained in paragraph 7. Mr. Hesketh Biggs said that the suggested procedure was unusual though quite practicable, and that if he were asked to adopt it he would have to take the Government of India's orders in regard to it. We agreed, however, that it was not an essentially necessary procedure, for the following reasons.

(*a*) The securities being State securities and not private, it would be quite possible in the Political Department to ensure that no change of State policy should result in failure of the continuous supply of money pending completion of the projected railway.

(*b*) The proportion of the whole of the payments to be made on British treasuries would be small.

(*c*) As English stores would be supplied to the Madras Railway Company by their Board in London and would have therefore to be paid for by that Board and not by the Secretary of State, English outlay would not necessarily involve transactions with the Indian treasury.

2. We therefore came to the conclusion that it would be best that the hypothecation of the Cochin State balances, as well as the raising at some future time of whatever amount, over and above those balances, will be necessary for the completion of the railway, would best be secured by action to be taken in the Political Department, and that arrangements had better be made by the Darbar with the Bank of Madras direct for keeping the Madras Railway Company in funds for payments outside Cochin territory, the arrangements referred to in paragraphs 5 and 6 of the above memorandum holding good for payments by cheques drawn on Cochin treasuries.

3. To-day I talked this all over with the Agent, Madras Railway Company, and we agree that funds had best be provided in the manner suggested above, that is, through the Madras Bank for payments elsewhere than in Cochin territory and by cheques on Darbar treasuries for payments to persons requiring cash in Cochin.

4. Mr. Moss agrees generally to the conditions proposed by the Darbar for his Company's acceptance, and is prepared to recommend them to his Board as soon as they are officially brought to his notice.

5. In connection with the valuation of land in Travancore territory, if, as seems likely, it is settled that that land will be paid for by the Cochin Darbar, there is a matter which seems to me to require consideration by the Resident. I believe it is proposed that a Cochin official should be present while the Travancore official is making his awards. It seems, however, to me that these two men are certain to come to a deadlock unless there is somebody to settle their differences. It would, I think, therefore, be advisable that a British Deputy Collector, by preference a man experienced in acquiring land in Malabar and speaking Malayalam, should be present as umpire in case of disputes arising between the officials of the two States. With the assistance of such a man the Resident would probably be able to ensure the making over of the land with the minimum of friction. It is possible, however, that the Cochin Darbar may not consider such an arrangement to be necessary.

FRANCIS J. E. SPRING,
Consulting Engineer for Railways.

MADRAS.
19th April 1899.

ORDER—No. 578. Ry., dated 13th May 1899.

A copy of these Proceedings will be forwarded to the Resident in Travancore and Cochin, for communication to the Cochin Darbar. The Resident's report on the subject of the provision of land in Travancore territory is awaited. Definite proposals are awaited from the Cochin Darbar. A copy of these Proceedings will be forwarded to the Government of India.

†[Here enter No. 579. Ry., dated 13th May 1899.]

(True Extract.)

Under Secretary.

To the Consulting Engineer.
„ Political Department
„ Financial Department.
„ Agent, Madras Railway Company.

B - 8

No. 578 Ry., 13th May 1899.

Endorsement—No. 579 Ry., dated 13th May 1899.

Forwarded.

(By order.)

Joint Secretary.

Exd. T. K. Narayana Aiyangar.

Form No. 2. A

PUBLIC WORKS DEPARTMENT,

RAILWAY BRANCH.

Papers to be read in Proceedings :—

R.f.

Again G.O., dated 189 , No.

Again G.O., dated 189 , No.

Current No. of 189 , dated , from

" " " 189 , " , "

" " " 189 , " , "

Here print as in the proof overleaf.

Pol. Dept. for C.C.

R.G.H. 3.5.99

ORDER, No. 578 Ry dated 13/5/99 D.H.

A copy of these Proceedings will be forwarded to the Resident in Travancore and Cochin, for communication to the Cochin Durbar. The Resident's report on the subject of the provision of land in Travancore territory is awaited. Definite proposals are awaited from the Cochin Durbar. A copy of these proceedings will be forwarded to the Govt. of India.

F.H.S.

R. 28/4/99

To the Con. Engr ✓

.. the Pol Dept ✓

Financial Dept

.. the ~~Resident in Trav. & Cochin~~

.. the Agent Madras Ry. Co ✓

Despatched on 13/5/99

Ac. Dept 18/5/99

No. 579 (R) dated 13/5/99

forwarded

✓

F.H.S.

28/4/

Despatched on 13/5/99