

Home (1917) Department.
Education

Ordinary SERIES.

G.O. No. 898

DATED 7. 7. 17

INDEXED

[Despatch Abstract.]

Kandian Alkali Company.

Recording papers relating to the application from
Messrs. Chettle Bolt and Company for Government aid to the
for the manufacture ~~for~~ soap and alkali.

PAPERS PUT UP WITH CURRENT No. _____

Papers of the department to which the current belongs.

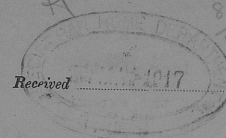
Number.	Date.	Original (= O.) or spare copy (= S.O.)	Remarks. (In this column such of the papers as have been removed for copying, printing, etc., should be marked with a cross.)	Initials of Referencer with date in token of return to Reference department.

Papers of other departments.

Department.	Number	Date.	Original (= O.) or spare copy (= S.O.)	Initials with date of (1) Referencer acknowledging returns of the paper concerned or (2) Despatcher to denote the return of the papers to the department concerned.

2-16

Received



191

Registered

Subject.

Submitting application from Messrs. Chettle Holt and Company
Limited, for a lease of the Government Glass Factory, for
their proposed Kandian Alkali Company.



ENCLOSURES.

No. _____

Spare copies _____

R.O.C. No. 308.

Station Madras. , Dated the 23rd May 1917.

From (Name) C.A. Innes, Esq., I.C.S.,
(Designation) Director of Industries.

To The Secretary to the Government of Madras,
HOME (Education) Department.

Sir,

I have the honour to submit for the orders of
Government an application from Messrs. Chettle Holt and
Company Limited, on behalf of a limited liability company
which is in process of formation under the name of the
Kandian Alkali Company, for a lease on favourable terms
of the Government Glass Factory.

2. I have had a conversation with Mr. Holt on the
subject. Apparently he has got into touch with a
Cingalese gentleman. This man has been to England and
has spent some time in Germany. He has satisfied Mr. Holt
that he can make soap and recover the glycerine; and that
he is also able to make sodium carbonate and other alkalies.
Chettle and Holt Limited have secured an Indian gentleman

who is putting up a sum of Rs. 10000 for experimental work on a commercial scale. Arrangements have been made to increase the capital of the company to Rs. 50,000 in the event of the experiments being successful.

3. It may be taken therefore that a genuine attempt is to be made to start what in many respects is a new industry in Madras. There are, I believe, apart from Sir F.A. Nicholson's experimental factory at Calicut, a few soap factories in South India, but the industry has hardly got beyond the experimental stage. The same remark applies with even greater force as regards the manufacture of glycerine, and ~~in~~ as far as I know, glycerine is being recovered in the Presidency only at the experimental soap factory at Calicut. The manufacture of alkalies of course is an entirely new industry in the Presidency. Sodium carbonate is now almost unprocureable, as also is bleaching powder, and if the new company can produce alkalies on a commercial scale, it would be a most excellent thing and might have far reaching results in the development of other industries. Personally I cannot say that I am hopeful of permanent success, since even if it is true that the Cinghalese gentleman can make alkalies on a commercial scale, the company which obviously is going to work on a small scale will be up against Brunner Mond and Company and the highly organized heavy chemical industry of England.

4.. That however is the Company's own concern. The only question for consideration in this letter is whether Government would be justified in extending a small measure of assistance to what may fairly be regarded, I think, as a genuine attempt to establish new industries in Madras. There is no objection on the score of principle. Government already are assisting the Punalur Paper Mills to the extent of Rs. 150 a month, and State aid in the form both of money grants and of loans on favourable terms is a recognised feature of the operations of the Industrial Department in the United Provinces. See for instance the Indian Trade Journal for May 18, 1917 page 208. As a matter of expediency too I should like to help the venture for I am most anxious that Government should give tangible proof of their willingness to help

genuine pioneer enterprises. It might be objected that the firm is a European firm and therefore not in need of assistance. But it is a new firm without much capital behind it, and further the money behind the enterprise is I understand purely Indian money.

5. If Government accept the view that the enterprise may legitimately be assisted and is worthy of assistance, the only question that remains is what form the assistance should take. The Company asks for a lease of the glass works on favourable terms for a period of 3 years. The reasons why it asks for this form of assistance are partly that it hopes to get the glass factory at a favourable rent and partly that the glass factory both in its position on the Marina and in its lay out is peculiarly well suited for its operations. But I understand that it has an alternative site in view which it could obtain probably for a rent of Rs. 150 a month.

6. I am not using the glass factory at present nor do I see much prospect of requiring it in the near future unless the manufacture of glass bangles is taken up. But in some ways it would be inconvenient to let the factory go especially as nothing less than a 3 years lease would suit the company since it would have to lay pipes to the factory for pumping up sea water. Barring the glass factory, I have no place at all where miscellaneous experiments can be conducted, and in the course of the next three years I might want it badly. Further I am using at present for the storage of various machinery including a valuable annealing lehr. I would have been prepared to waive these objections had the glass factory been the only suitable site for the company's experiments, but since it is not, I would prefer to assist the Company by a money grant. In the first draft I wrote of this letter I proposed to lease the glass factory to the company for a nominal rent of Rs. 500 per annum. On reconsideration in the light of the information I have since received from Mr. Holt regarding the other possible site, I recommend that

Rs. 359
14/3/17

put up

a grant of Rs. 100 a month be made to the company. This grant is practically the equivalent of the difference between the rent I thought of proposing for the glass factory and the rent the company will have to pay for the alternative site. I suggest that in the first instance the grant should be made for one year only and the only condition to be attached should be that the company should satisfy me from time to time that the experimental manufacture of soap, glycerine and alkali or one or other of these products is actually in progress. The continuance of the grant beyond the first year may be left for future consideration.

I have the honour to be,

Sir,

Your most obedient servant,

Chames

Director of Industries.

NOTES.

Again G.O., No. , dated 190
Current No. from the , No. , dated 191
Current No. 2134A from the ^{No. 308} *Officers in charge of the Dept. of Domestic*, dated 23.5.1917.

SUBJECT.

*Grant to Messrs Chettle Holt
& Company.*

cf.

para 6, p. 3 of ref.

Messrs Chettle Holt & Company
have applied for a lease of the
Govt glass factory on favoured
terms for three years. The glass
experiments have been discontinued
~~and~~ and the factory may not
be required in future for those
experiments. But Mr Limes consi-
ders that the factory may be
required for the conduct of
miscellaneous experiments ~~that~~
^{may hereafter be undertaken}
~~carried out~~ by the Department
& he is not therefore in favour
of its being leased out to the
company. This may be ~~accepted~~
approved.

*EMA
5.6.17*

do.

2. Mr Limes, however, recommends
the payment of a grant of Rs 100
per mensum to the Company for
a

NOTES.

a period of one year on condition that it satisfies him that the experimental manufacture of soap, glycerine & alkali or one or other of these products is actually in progress. It is submitted that soaps & glycerine are at present manufactured in the Govt experimental factory at Calicut. Though Mr. Lums is not hopeful of success in the manufacture of alkalis in this country against competition from English & other firms, he considers that the Govt may help the business as it is a genuine attempt to establish new industries in Madras. ~~It is for~~
~~consideration of the~~ Sir J. Nicholson may ^(perhaps) be consulted re. on the matter. It is for orders whether this may be done or whether Mr. Lums recommendation may be approved at once.

8K
 1-17. 3 Attention is presented to the orders in form 851 2d of the 6-8-15 & form 832 2d of the 31-7-16.

11/1
 57647

para 3 & 4, page 2 cf.

S.
The con of helping this company^{at present} is not
very strong; we seem in the first place
to know too little about it. It is not
if the withholding of the ^{very small}
amount of Govt support proposed by me
I have is likely to prevent the inception of
the work ^{can} its discontinuance at an
early stage. I would ask me to
wait & see; if the promoters prove proper
plant, & carry in the business on sound
methods & the products appear to be satisfactory,
Govt may then be justified in subsidizing
the company to a much greater extent.

9.1.18
5.6.17

Release of the Glau Factory premises
will be declined.

But the Director has made out
a strong case for assistance. If the
experiment is to be made departmentally,
it will cost us far more than the modest
sum the Director recommends. The
allowance will give us a right to inspect
the accounts & probably teach us what
to avoid, if we hereafter embark
on a similar industry. It may be

Then Mr. C. will
not require
any help
mm

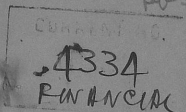
We thereby eventually save a fair
large amount of money. We want
information badly about the possibility
of manufacturing alkalis in India.
The amount asked is only Rs 1200 p the year.

Home (Est) no. 2134A
6.6.17
Lund (no) 576/17

Financial Dept

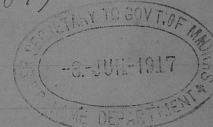
As remarked by Mr. Home
depl. the case for helping
the company is not very
strong, but still need not
perhaps object if the Director
can find the money.

Agreed, but I wd. ask Home to circulate
it. It. before issue.



File no 4334
8-6-17

Noted in CR
8.6.17



Home (Est) Dept

Submitted for orders as to
circulation.

8th 9.6.17. S. S. M.

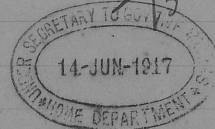
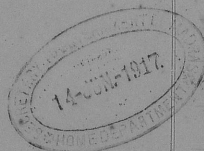
Hms

The General

13/6/17

(For orders on the penultimate sentence
of the Director's report)

Please then
pass us to Sir Patrick
Nichols and say that
the Govt would thank
him to note his views.



A no. note to Sir Frederick Nichols
is submitted below.

SK
15.6.17 P.

1/1 think the file may go to Sir Frederick Nichols
but I don't object.

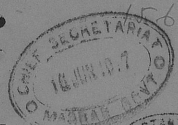
Box 44
Circ 12.6.17
revised 14.6.17

From the H.M.s note above
it is presumed that the
note is not to go to Sir Frederick
Nichols but only a
separate exp. note with
the main letter.

NOTES.

Page 10

Amr (38r) no 2184A-2



4620
FINANCIAL

Recd 16.6.17

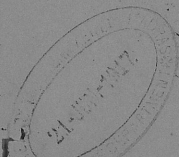
W

Finbu 4620

1860

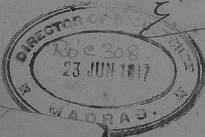
Noted in CR

19.6.17



Edue 2134 A-3

21.6.17



Financial. May I send the
file H.O. to Sir Messrs. Pichler?

Send.

17/6/17

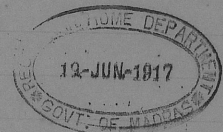
Fin. Dept.

Financial need not object.

LD
1860

C.S.

1860



Mr. Lums Co.

21/6

about this file when I was
at Tokyo and suggested that
orders might be deferred as
I understood that his experi-
ments were not going well.
I have since seen Mr. Hult
again in this subject. He
claims to have been made
sodium carbonate all right
but not at a reasonable
cost. He will probably have
to drop this matter though
he may go on with soap.
In this circumstance his
file may be lodged.

Chambers

2/7/17



Hon. E. A. Tamm, Dept.

Submitted that the papers may be
recorded and brought on the index for future
reference. A draft order is placed below

3-7-17
[Signature]

3-7-17
[Signature]

Submitted the file may be
recorded & that perhaps it is
not necessary to trouble Sir
Frederick Nicholson at this stage
Draft ready for prep. Wm
5-7/17 ✓

Don D
/ 6/17



1 sent

7.7.17

Box 11
inc 5717
Johd 6-7-17

When open for copying
When copied
Who examined
Who signed

191

AD AGAIN G.O. No.
191

DATED

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT

A A A A A A A

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

PAPER NOT FILED UP, BRING MEANT FOR DISPATCH
IN ORIGINAL.

N.B.-

A = Copy in full.
B = Not to be copied.
F = Copy abstract only.
Q = Copy heading only.